THE FINANCIAL POST

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The Nation's Business

Labor Asked For, Gets The Antistrike Bill

Progress of organized labor has been dealt a staggering blow in the antistrike bill passed at Washington. Incensed by the action of John L. Lewis, who, with a few other labor leaders seems to view the war only as a golden opportunity to secure privilege without any responsibility, the bill was pushed through over a Presidential veto.

Quick passing of the bill indicates an unmistakeable change in public opinion, and one that does not augur well for peaceful labor relations either in the United States or Canada. Antilabor leggisislation, already prominent in several state legislatures, is almost certain to spread. Because of the treasonable greed of a few radical leaders, such as Lewis, organized labor stands in danger of losing much of the ground it has won in the last ten years.

Among other drastic measures the U.S. bill imposes one year imprisonment and $5,000 fine on any person instigating, causing or encouraging a strike in a government-owned plant, provides that 30 days notice and a secret strike ballot shall precede strikes in nongovernment plants. Under it Lewis could have been put behind bars months ago.

It is an abrupt answer to a public, utterly fed up with the wave of strikes which has dogged the national war effort for the last 18 months, and particularly to beetle-browed John L. Lewis who has been responsible for hauling vital miners out of their pits twice within recent weeks.

The American situation is in sharp contrast to that of Great Britain where, largely as the result of a mature labor leadership, a harmonious co-operative partnership has been built up between labor, industry and government, and all with the blessing of public opinion. On the other hand in the United States, and to some extent in Canada also, public opinion has too often been disregarded by the labor bosses. Public opinion and Congress has now thrown back the organized labor cause over a decade.

* * * *

NEW CUSTOMERS EVERY MINUTE

"A new customer is born every 10.4 seconds. An old one dies every 21.6 seconds. Industry loses 1,450,000 old customers in a year and gains 3,020,000 new ones who know nothing of you or of your product."

That's what a top official of the War Production Board recently told fellow Americans, urging businessmen to place no dependence on the traditional way of doing business, of marketing, distributing and selling; urging them to seek for the new, to go on telling their story through advertising whether they had goods to sell or not.

For Canada his figures would be approximately these:

A new Canadian customer is born every three minutes. An old customer dies every five minutes. Canadian industry loses 115,000 customers a year and it gains 255,000 new ones "who know nothing of you or your product."

* * * *

MR. NIXON AND THE BREN GUN ENQUIRY

In electioneering, Ontario's Premier Nixon is reported as stating that Colonel Drew, leader of the Progressive-Conservatives, has voiced nothing but destructive criticism since the outbreak of war, that the only result of the Bren gun charges was to delay the war effort, and so on.

Here are a few facts Mr. Nixon should get and keep straight.

Far from delaying the war effort, the Bren gun investigation resulted in a swift, drastic change in government procedure for war supply which made possible the phenomenal task undertaken by the Department of Munitions and Supply.

Does Mr. Nixon really mean that the creation of the Department of Munitions and Supply delayed the war effort? Does he mean it would have been better and faster to leave the contracting for war supply and materials in the hands of soldiers and civil servants in the Department of National Defense rather than to put this highly skilled job in the hands of men skilled in purchasing and in production?

Does he mean it would have been better to go on having contracts for vital war supplies handed out through political favoritism?

Does he mean that it would have been better to go on handing our war contracts on a 10% cost plus basis? On $3 billion worth of business?

If he doesn't, Mr. Nixon should, know that 5% on war contracts is now regarded as handsome profit and contracts are renegotiated where profits depart radically from that norm.

Every Canadian with any intimacy with the situation, with any concern for his own taxbill or his own country's welfare, knows that the Bren enquiry and its results have saved the Canadian people hundreds of millions of dollars on the cost of this war; that the creation of the Defense Purchasing Board which, ultimately became the Department of Munitions and Supply was a very long step in the direction of efficiency, dispatch, and that the whole Bren affair had a great deal to do with introducing a new public morality, a new high sense of public responsibility in the supply of the nation's war effort.

* * * *

DON'T BE SCARED BY THE PROPAGANDA

Too many businessmen who should be thinking more clearly are falling for CCF propaganda about the immensity of the problem of postwar readjustment. The CCF joyfully proclaims that the reconversion of industry to peace will be disastrously slow; that individual enterprise won't come anywhere near providing an adequate volume of employment. Their conclusion is that gigantic public works and government enterprises will be necessary which they welcome as speeding the collapse of business; the growth of Socialism.

Let's keep this job ahead in some perspective. Here's one basic fact to keep in mind.

Reconversion is a problem only for the very front line of war industry. Agriculture, mining, smelting, lumbering, railways, communications, electric power and nearly all the service trades, retailing, wholesaling and the rest are today war industries, but their peace job is the same as their war job. They have virtually no conversion problem.

Another very big layer of Canadian industry, the metal working trades, can speedily readjust because to a very large degree the piece of metal shaped this way today need tomorrow simply be shaped that way. It is well understood for instance, that the motor vehicle industry can swiftly shift from its present total war effort to peace production with very little dislocation, and that applies to many other industries.

The major conversion problem comes only for that thin top layer of Canadian industry making guns, shells and doing specifically wartime tasks. And here the problem will be really difficult only in that section of industry which has no foundation of peacetime skills, equipment or customers, and where management is unable or fails to plan and prepare now for peace.

The reconversion job is big. But not nearly so big as many people picture it.

Furthermore it's not nearly so big as the job of converting to war. Then we had hundreds of new machines to secure, new plants to build and lay out. Most of the machines and plants we built for war can equally well do peacetime jobs.

Might Boost Paper Price This Month

Advance May Be As Much as $5 to $6 a Ton — Wood Supply and Usage Problems

From Our Own Correspondent

MONTREAL.—Though lacking official confirmation, indications are that an announcement of an upward revision in the newsprint price schedule will be forthcoming by the middle of this month.

Nothing has been said to indicate how large an increase Canadian manufacturers are seeking, but it is assumed their demands are not less than the $5 to $6 a ton sought by the American mills.

Such an increase, if granted, would be in line with the earlier request of the manufacturers who sought an advance of around $10 over the old base price of $50 and were given a boost of only $4 a ton last March.

Need is Urgent

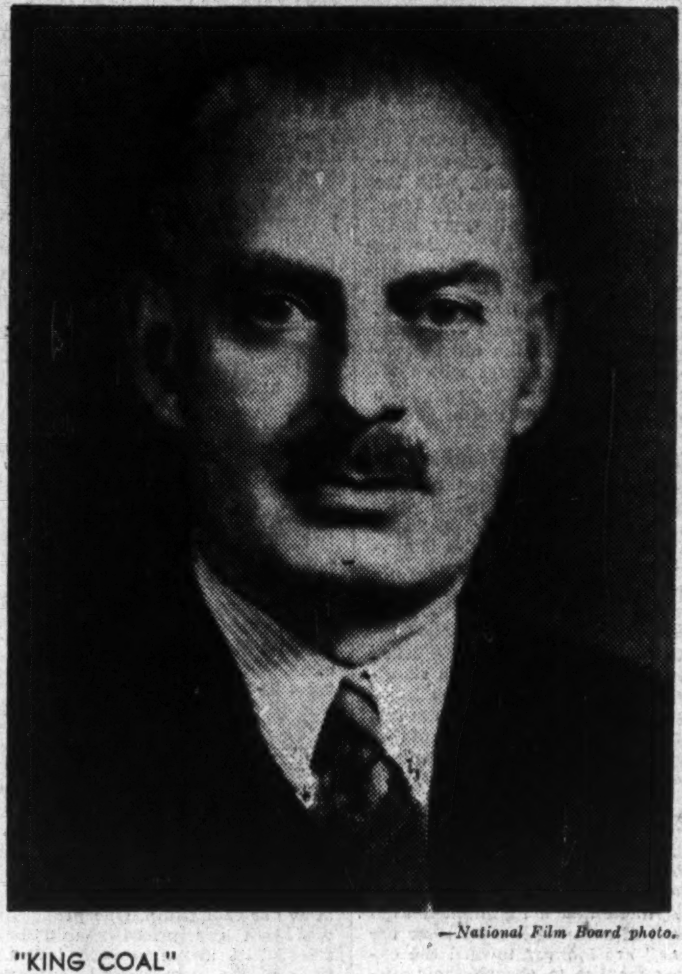
The seriousness of the situation is more apparent now than it was a few months ago and it is believed the OPA will take more kindly to the application for a higher price.

Any announcement on the price change will undoubtedly be a joint one from Washington and Ottawa.

An advance of $5 a ton would give Canadian manufacturers an additional gross revenue of $5¼ millions on U. S. sales during the last five months of 1943 based on the present permitted volume of shipments.

Domestic price also would advance

(Continued on page 2, col. 7)



—National Film Board photo.

"KING COAL"

Next winter's fuel secured recognition as a No. 1 Canadian supply problem with the announcement that E. J. Brunning has been appointed new full-time Coal Controller. He succeeds J. McGregor Stewart, who resigned due to inability to devote all his time to the coal question. Mr. Brunning assumes his new key post with an enviable record behind him as a "production man". In the immediate past, he has been Director-General of Gun Production for the Department of Munitions and Supply. Mr. Brunning's peacetime job is president and general manager of Consumers Glass Co. Working for the government in wartime is no novelty for Mr. Brunning, however, for he supervised shell production on behalf of both Canadian and United States companies during the last one.

Elson from Washington

Basic Differences Simple

Wallace-Jones Scrap Stems From Opposing Ideas

Basic difference, it is claimed, between Wallace and Jones is really simple. Wallace believes in getting required materials without any regard to their cost. Jones believes the same materials can be acquired, in ample amounts and in time, on reasonably sound business terms.

Wallace is angry because he says Jones delayed in handling purchases to build up war stockpiles. Jones struck back saying Wallace's charges were filled with "malice and misstatement." Although President Roosevelt's director of War Mobilization Jimmy Byrnes had both men on the carpet, his peacemaking efforts failed and Jones is still asking for a full-dress investigation of his war effort.

The Jones-Wallace feud illustrates the strange coalition which Mr. Roosevelt governs. Wallace is leader of a progressive wing of thought far to the left of the Texas banker, Jones. On his side are Ickes, Perkins and Biddle. But Jones enjoys the confidence of the southern Democrats who are far more conservative in their thought, for instance, than Mr. Bracken. They believe in private ownership and initiative and a wholehearted return to pre-New Deal government. There were reports this week that Wallace had the support of the President who was prepared to fight out the current row on the inflation issue with Congress on the whole New Deal line.

- **War Mobilization Director Byrnes demands resurvey of U. S. war program.**
- **American production is still up to the mark in spite of the disorderly political scene.**
- **The Battle of Washington now raging is the preliminary round for the 1944 presidential elections.**

Far more likely, however, is the President to want once more to make peace in his official family lest the public quarrel of his intimate advisers give the Republicans fresh ammunition with which to attack Mr. Roosevelt's record of domestic administration.

● The United States has started a thorough recheck of its whole war program working from inside the various organizations. War Mobilization Director James Byrnes has asked the War Production Board, the Army, the Navy, the Maritime Commission and other agencies to set up committees to resurvey the program. To guarantee an objective approach, members of these committees will be drawn from personnel not directly concerned with their original planning or administration.

"The idea," says Byrnes, "is not to limit war production but to make it more effective by halting production of those items no longer needed."

He made it clear no easing of civilian supply could be anticipated down here. First matter to be restudied is that of the War Manpower Commission which predicts civilian labor shortage may become more acute unless War and Navy Departments revise plans for an armed force of 11,300,000 men by July 1, 1944.

There have been persistent reports that the Army is already preparing to cut back the schedule of men to be drafted. Secretary of War Stimson has confirmed that the question is under study. But the uncertainty that has marked the whole situation, particularly in reference to fathers between the ages of 18-38, has prompted the Senate Military Affairs Committee to re-

(Continued on page 2, col. 3)

Whole U.S. Program in Jeopardy

Strong Forces Oppose Anti-inflation Policies

By ROBERT T. ELSON

WASHINGTON.—The grave menace of a disastrous wartime inflation has aroused most thinking Americans. But behind the Congressional battles over subsidies and the debate aroused by the conflicting views of President Roosevelt and his critics are some very important factors little understood either in Canada or in the United States.

Some of these are:

The American wartime fiscal policy is based to a much larger extent than that of Canada or Great Britain on borrowing. The figures of the current fiscal year which closes July 1 are significant. The deficit jumped from roughly $19,598 millions in 1942 to $55,897 millions in 1943. Total government expenditures were $78,179 millions of which 92% were for war. Net revenue receipts jumped 74% but totalled only $22,282 millions.

American war spending is pumping vast funds into circulation. At July, 1942, war expenditures were running at the rate of $46 billions per annum. By July, 1943, they had almost doubled to the rate of $90 billions. Next year the guess is at least $106 billions, probably more. This means higher deficits.

So far American deficit financing is by no means as sound as that of Canada and Britain. A disproportionate amount of it is being done through the commercial banks. In the second war loan drive, for example, only about 8.7% of the $16 billions raised came from individuals. The remainder came from institutions and a very large slice from commercial banks.

The price rises here have had all the publicity. The gain in prices has been spectacular. Less publicized are the facts about wages and farm income. The average worker's pay cheque, it is estimated, has climbed from around $27 weekly in Aug., 1939, to $44 in April this year. The farmer in April, according to the Wall Street Journal, averaged $187 for products that brought only $88 just before the war. The Congressional Farm Bloc would raise this still further. Labor, protesting price increases, threatens to abandon the Little Steel formula which limited wage increases in the United States to 15% as at September of last year. Yet economists' figures show that most labor, irrespective of white collar workers, have enjoyed an 8% increase in terms of real wages.

Remedies Offered

These are the things that make for inflation. But what remedies have been proposed?

At the moment the White House is fighting for its proposed "rollback" program through use of subsidies. President Roosevelt has won one round in Congress when his veto of the Commodity Credit Corporation Bill was sustained. Later, however, the Senate voted to prohibit use of funds by government agencies as subsidy payments.

But subsidies are by no means the only answer. As Chester Davis, ex-Wartime Food Administrator, pointed out when he resigned, the answer is in higher taxes and enforced savings to siphon off buying power.

Critics of the President point out that his opposition to sales taxes is ill-timed, that the argument that the sales tax bears down on the little man is not justified in extraordinary times. Roosevelt does, however, favor excise taxes on luxuries like tobacco and alcohol. But the gap between possibility and practice was underlined by Randolph E. Paul, general counsel of the U. S. Treasury. He said, "American citizens can bear at least a $30 bill of personal taxes." Personal income tax payments to the federal government for the 1942 calendar year, however, were only $4 billions.

More Bonds to be Sold

Obviously Congress must be persuaded to increase taxes.

Mr. Roosevelt, and Mrs. Roosevelt, have made it clear that they do not like enforced savings. But there are ways to legislate voluntary savings, he says. The answer to the riddle lies in the proposal of the U. S. Treasury for a spending tax. A minimum of income for essentials would be allowed; expenditures over that amount would be subject to progressively heavy taxation. The idea would be to channel indirectly all surplus funds into bonds.

Pending the presentation of such a plan to Congress the Treasury is already laying plans to adopt Canada's bond-selling methods instead of the tap system now in force. In the fall war bond drive the individual is to be pressed for bond purchases and the banks are to be eased into the background. There will be less emphasis on speed in raising unprecedented amounts and

(Continued on page 2, col. 8)

Retail Trade Working on Gordon Plan

"Complications" Seen In Implementing Plan Should it be Found Feasible

A coast-to-coast survey of possibilities of reducing consumer goods prices below ceiling levels is now being feverishly worked over by leading Canadian retail establishments which received Donald Gordon's appeal for assistance in holding the front against inflation, The Financial Post is told.

If the proposal is feasible, "very many complications" are seen in implementing it, it is claimed.

Retailers, reluctant to engage in any detailed discussion of the suggestion due to the "private and confidential" character of the Gordon letter, stress the time needed to assemble data to determine what, if anything, can be done. Until the work of analysis has been thoroughly gone into — and it is receiving the close attention of retailers' organizations — they are chary about committing themselves as to just what might happen. That leading retailers are devoting so much time to study of the situation, however, is taken as a strong indication that they wish to assist Mr. Gordon if it is humanly possible.

Says Profit Margin Lower

Discussing the situation generally, one leading department store executive told The Post:

"In our business percentage mark-up on goods generally has become less in recent months and this will undoubtedly be an impediment in following through on Mr. Gordon's suggestion that certain items be reduced below ceiling prices. Price reductions to clear out remnants have not been great lately, however, and this is undoubtedly one factor on the favorable side. Wastages in perishable lines have also tended to decline as turnover has become more rapid.

"Personally I feel that price reductions in cost of low-priced essentials such as canned goods would give a much better lead to business generally than price reductions in the higher-priced type of product. I think that a reduction in the price of a silver fox fur from say $89.50 to $88 would pass unnoticed and would not be very significant in achieving the objective of reducing the cost of living."

Novel Co-operative Price Scheme Urged

WPTB Strives to Control Inflationary Potential by Inviting Merchants to Sell Consumer Goods Below the Legal Price Ceiling

By KENNETH R. WILSON

OTTAWA.—In face of the steadily mounting increase in living costs across Canada an appeal of utmost importance and urgency has gone within recent days to Canadian business leaders under the signature of Donald Gordon, chairman of the WPTB.

The appeal is in the form of a direct challenge to Canadian business leaders — chiefly in the consumer goods field — to undertake to sell goods below authorized minimum prices wherever possible, and thus relieve pressure on the price ceiling.

What Gordon is asking of Canadian business leaders is that they restore or establish a new low-price, below-ceiling policy so long as overall profits provide a reasonable return or so long as business profits are at prewar standards.

Co-operative Move

The letter, it is understood, has gone to some 75 or 100 representative business leaders in manufacturing, wholesale and retail lines and to leading organizations in the consumer goods field. Though it was marked "personal and confidential," the idea is to promote discussion on the possibility of an entirely new nation-wide co-operative approach to the price ceiling.

Behind this new and portentous turn in price ceiling affairs lies a chain of events indicating alarmingly increased pressure against the price ceiling. Two of these pressures especially, are likely to come to a head in the near future, both in the realm of wages.

Cost Crisis Near

For one thing, the cost-of-living index which was deliberately adjusted last December by consumer bonus payments on milk, tea, coffee and oranges, is now nearing a new "crisis" point.

This week the June index moved up another 4 decimals to 118.5, bringing the index to within .4 points of the place where a country-wide increase in the cost-of-living bonus will be necessary. If the index moves .4 or more points in July every employer will be required to increase his cost-of-living bonus, unless WPTB adds another commodity, or commodities, to the consumer subsidy list.

Then, too, the McTague wage-labor inquiry is due to bring down its findings in the near future—findings which in all probability may provide some relief for wage-earners in the lower paid brackets. Such relief, if granted, will put further pressure on price ceiling.

Danger Points Cited

Alongside these major danger points Ottawa finds a steady and disconcerting increase in the general price level of most, if not all, consumer goods — increases brought about by shifts to new sources of

(Continued on page 2, col. 1)

Shipshaw Deal Enters U. S. Cabinet Feud

Special Correspondence

WASHINGTON—"An investigation of the Shipshaw development and the U.S. contracts with the Aluminum Co. of Canada will disprove ninety-nine and nine-tenths per cent of all the charges." In these words Secretary of Commerce Jesse Jones, head of the Reconstruction Finance Corp. and other important war-finance agencies, hit back at his Congressional critics.

His personal intervention before the rules committee of the House of Representatives may have postponed a move by Congressman Coffee of Washington, ardent New Dealer, for an immediate full-dress debate here on Shipshaw. Congress is now moving rapidly towards a summer recess and this is one of the controversies that may now be shelved in the vacation rush.

But the Shipshaw controversy may be drawn meanwhile into the inter-cabinet bare-knuckle fight between Jones and Vice-President Wallace, head of the Board of Economic Warfare. This unprecedented inter-cabinet fight between two of the highest members of the Roosevelt administration is almost certain to draw a Congressional investigation in which the whole policy of Jones' financing of the war effort will come under scrutiny. Through the various agencies under his control Jones handled many Canadian contracts.

New Points Made

Jones' testimony on Shipshaw brought out some important new points on the Canadian deal. Among them were:

The Canadian company has already delivered 500 million lbs. of aluminum on its contract which calls for total deliveries of 1,370 million lbs. Canadian aluminum is

(Continued on page 2, col. 5)

May Seek New Associate Director For NS Service

By STAFF WRITER

OTTAWA.—Published reports that A. J. MacNamara would be relieved of his responsibilities as Director of National Service to devote full time to the Deputy Ministership of Labor are not given very great credence here.

What is believed pending very shortly is a new appointment of someone to replace A. J. Needham, now associate director in charge of labor supply in the NSS setup.

If a strong personality can be found to replace Mr. Needham, it seems likely that Mr. MacNamara will retain both his jobs and pass much of the responsibility for NSS over to the new appointee.

Only if this plan fails will a split-up in Mr. MacNamara's work be considered—unless further considerable pressure is brought to bear by outside interests to achieve the MacNamara shift.

It has been apparent for some time that Mr. MacNamara is greatly overloaded and that unless some relief were given, the direction and administration of NSS was in danger of bogging down in proportion to the load now being placed on these offices. One obvious difficulty (after Elliott Little's experience) would be to get a top-flight business executive to take the NSS directorship unless given a very free hand.

At the moment the most likely alternative seems to be to replace Mr. Needham with a new associate director.

Greater Control Of Ads Sought

By STAFF WRITER

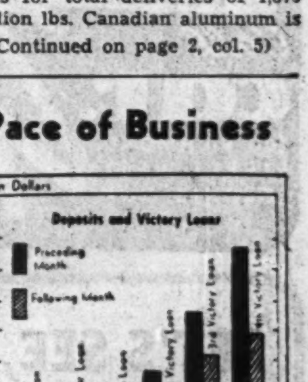
OTTAWA.—New "teeth" in the Criminal Code to include advertisements "intentionally worded or arranged so as to be deceptive or misleading" is aimed especially at the erection of misleading signs in store windows, The Financial Post is told.

The clause in Bill 107 which was given first reading May 27 and now awaits second reading, aims to amend the Criminal Code by inserting in the following paragraph the words underlined:

> "Every person who publishes or causes to be published any advertisement for promoting either directly or indirectly the sale or disposal of any real or personal movable or immovable property or any interest therein or promoting any business or commercial interests which contains any state-

(Continued on page 2, col. 6)

Pace of Business



Increasingly heavy withdrawals from bank deposits to buy Victory Bonds have been more than made up each time, as the chart shows, and have completely failed to prevent successive record highs for deposits from being reached.

Cost of Living reflects higher food costs, gained 0.4 in May; no change in living bonus.

Department Store Sales down 2% from May, 1942, and 12% from April this year.

Country Store Sales up 14% in May from year ago; all regions show gains.

Pig Iron production in May down 9.7%; cumulative total down 10.6%.

Steel Production in May approximately equals last year; cumulative total down 3.4%.

Contracts awarded in June less than half year ago; cumulative total down 24.3%.

Electric Power Output for May up 10%; year to date 4.5% higher.

For complete figures see page 7.

at EATON'S

FAMOUS CHRISTY ROLLAWAY

The name "Christy" has long been synonymous with good taste and fine quality in hats with men the world over. The Rollaway upholds that reputation admirably. A suave light-weight fur felt with a trim narrow band offering a shade choice of blues, greys and browns in sizes ranging from 6¾ to 7½. Remember the well-dressed man wears a hat—see a "CHRISTY" today, at EATON'S. The "Rollaway" is priced

7.50 each

MAIN STORE MAIN FLOOR

T. EATON Co LIMITED
TORONTO CANADA

Urge Novel Co-operative Price Reduction Plan

(Continued from page 1)

supply, substitution of different and more costly raw materials, and miscellaneous factors which have raised transportation and other costs.

There is also a problem raised directly in Donald Gordon's letter, namely, the fact that scores of prices for trademarked or other merchandise have been raised because producers and distributors have found that a maximum selling price or markup which applied formerly on a small percentage of merchandise can be legally extended to an entire line.

This situation may be described in this way: under the law, maximum prices have been declared for most consumer goods offered for sale. The legal maximum price of the basic period was often established on a small proportion of sales so that many sellers are in the technical position of being able to depart from an established trade custom of low-priced merchandise and are increasing prices (quite legally) up to their so-called maximum).

Trade Custom Changes

Ways in which this is being done and which are causing great concern to the prices administration include:

1. Stores may have sold several brands of a commodity at a varying range of prices. WPTB now finds a tendency to push up to the maximum prices so established.

2. In many cases, chain stores, departmental stores and other large volume operators had an established practice of low prices. But many are said to be steadily advancing to technical maximums, especially where short supplies remove competition for volume sales.

Likewise when board orders have established a maximum markup or have defined maximum prices for specified commodities, the practice is said to be for operators to take the full amount of permitted markup regardless of past practice.

3. Some suppliers are said to be taking advantage of isolated sales or a small volume of sales at a maximum price legally established under the ceiling in order to raise all sales to this theoretical maximum.

Return to Low Prices

The point made in the Gordon letter is that the inflationary potential can only be controlled if every class is prepared to make a contribution. Since business firms with large volume sales are the real price arbiters, a general and declared policy of selling wherever possible below the legal ceiling would make a real contribution to the continued success of the price policy.

What Mr. Gordon seeks apparently is widespread publicity of a declaration by large merchandisers and establishments that they are prepared to re-establish former policies of low-priced merchandise.

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The War and Business

By BRUCE MacKINNON

Fish Troubles

With every prospect that fresh fish from the ocean provinces will be cut off from inland Canada by the new deal with Britain, there has been talk of opening up more inland lakes to commercial fishing. But game authorities are determined not to relax the restrictions unless starvation threatens. In the last war, they say, several lakes were opened to the net fisherman, and once the trade developed it was hard to stop. Although they were not supposed to be disturbed, game fish were cleaned out of some of the lakes, coarse fish multiplied rapidly and, even with the aid of stocking, the game fish never recovered their lead. Using pond nets instead of gill nets and selecting the proper season for fishing tends to reduce the damage to game fish to the minimum, but the game wardens don't want to take any chances. They say that taking out $5 worth of commercial fish jeopardizes a possible $100 of tourist revenues.

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Steel to Stay

This view on the "miracle materials" that have gained so much publicity recently comes from a designer of wide experience. He doesn't expect plywood, plastics or light metals to make any serious inroads on steel. Use of any of these in motor bodies, for example, would increase the cost over pressed sheet steel, he thinks, and repairs to dented fenders, etc., would be considerably more difficult than at present. Welding aluminum, for example, is beyond the talents or equipment of most garage mechanics, and the danger of combustion in magnesium is prohibitive, in his opinion.

He expects the big market for the new materials to be in auto accessories, household equipment, office equipment, planes, and so forth, where steel's strength is not mandatory, and lightness is. He looks for strenuous competition between the light metals, plastics, plywoods and die-casting on these fronts, suspects that to find work for all of them will require new products and a higher standard of living.

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We Get Healthy

The best news doesn't always mean headlines, as witness the births, deaths and marriages report for the first nine months of 1942. From its matter-of-fact figures you learn that the rate of increase in population accelerated 10.5% over 1941; that deaths of infants under one year dropped 13% and of infants under one month 10%; that maternal deaths fell 14%. The whole picture reflects the effects of higher incomes and the spread of medical services. All specific causes of death (including murders and suicides) showed declines, with the exception of five—scarlet fever and whooping cough (may indicate the effect of employing mothers of young children)—accidental deaths other than from automobile accidents (a result of increased employment) — and the continued rise in the toll of cancer and heart diseases which together now account for roughly a third of all normal deaths.

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Short War-Low Stocks

View that the war will not last anything like the five to ten years that were being freely predicted in top U.S. military circles is having its effect on purchasing habits. The bulletin of the National Association of Purchasing Agents (U.S.) points out that smaller inventories are now considered sound policy. WPB sets a standard for inventories of 60 days' supply, and the Association points out that strict observance of the ruling may avoid major inventory losses.

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Exports vs. Incomes

Realistic businessmen who are not too optimistic about some of the current hopes for "full employment and a maintained high level of national income after the war," are looking toward the export market to absorb their surplus productive capacity. But at least one of Canada's leading industrialists looks on this as something of a pipe dream. His point of view: "Foreign countries can't buy our exports unless their own citizens have higher purchasing power than at present. They can only pay for our exports with exports of their own—and they can't export to us unless our citizens have high purchasing power." Says he, "The 'big exports' and 'full employment' groups are in reality one and the same—we can't have one without the other."

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Holiday Confusion

Prime Minister King's holiday-making record now equals that of his good friend and neighbor, President Franklin D. Roosevelt. It will be recalled the latter created much confusion when he changed the traditional date for Thanksgiving Day. Ottawa in turn ruled Dominion Day should be celebrated Thursday, July 1, instead of the first Monday in July. Some firms followed this edict. Others stuck to tradition and took Monday with its long week-end. Still others compromised and took a holiday from Wednesday night to Tuesday morning. War plants are known to have worked Thursday, thus giving the employees time and a half pay, and took Monday as a holiday. All told there was much confusion and uncertainty.

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50% More Cars?

There may be some significance for Canada in the conclusion reached at the Detroit "industrial clinic" that the U. S. auto industry will likely be on a six million car basis in the first postwar years. Normal production ranged around four million cars and trucks a year, and the majority of automobile men active in the clinic's investigation held to the belief that a 50% production increase could be absorbed by post-war markets, although the objective could not be attained without active salesmanship. One proposal was that car prices should be raised 20% above pre-war levels, to sop up war-created buying power and, by delaying sales, spread the peak demand over a longer period.

Elson From Washington

(Continued from page 1)

port out a bill that would defer drafting of fathers until January 1. This move was sponsored by isolationist Senator Burton K. Wheeler, who contended that the United States cannot transport more than 2,700,000 men overseas by the end of 1943 and only 4,700,000 in 1944.

● Canadians probably do not fully appreciate the situation confronting the United States on the draft. Operating by the lottery rather than by the class system in use in both Britain and the Dominion your draft number determines whether or not you are called, rather than your age. Most draft boards have completely exhausted quotas of single men between ages 18 and 38 and are calling up married men without children or with children born since Pearl Harbor. Having dependents is no longer a cause for deferment.

Last winter fathers were put on notice they might be liable for call in July, but the date has been postponed from time to time. Manning tables now have to be drawn with the expectation that essential fathers can be replaced by October first. But expectation is they may not be called then.

When fathers are called the number of dependents will not matter. A few hardship cases will be exempt. Selective Service Director Lewis B. Hershey once defined a hardship case as the father with three children whose wife was an invalid.

Because of the far-reaching effect that such a wholesale call-up of fathers would have on the national economy it is being postponed as long as possible. This natural concern for the family makes restudy of the manpower program the first to be undertaken.

•

● If the manpower program is revised, as indicated, there should be less concern about maintaining the rate of American production.

Under-Secretary of War Robert Patterson and General Somervell have criticized the falling off of the production rate for May on behalf of the army ground forces. There apparently was some slackening. And the warnings were timely in counteracting the wave of credulous optimism that followed the North African victory. But observers, who have access to the figures, do not agree that there has been critical failure. Instead American production is still turning out vast amounts of material. And this must always be kept in mind if the American scene, with its confusing political currents and vast forces in unresolved conflict, is to be kept in perspective.

The United States army has done an almost incredible job in mobilizing a vast citizen army and officering it. The U. S. navy, which started the war under the handicap of one of the greatest defeats in history, is not only stronger than ever but has restored the naval balance in the Pacific. Now indeed it is inviting the Japanese high seas fleet to battle. The shipping situation has been so relieved by the vast shipbuilding program that the day may soon come when cargoes, not ships, will be the problem. None of these things could have been accomplished unless American production had been up to the mark.

● It is hard to reconcile these accomplishments with the apparent confusion of the "battle of Washington" which is aggravated by the desire of Mr. Roosevelt's opponents to heighten the picture of apparent disorganization at the top. Mr. Roosevelt's more charitable opponents insist the conflict between Congress and the White House is because the President devotes too much time to world strategy. Others attribute it to the long-standing Roosevelt habit of building one agency on top of another rather than cutting away obsolete and unsuccessful branches of the government tree.

Conflict between Congress and the White House stems back to last election when, in the absence of a national issue, electors took out their resentment against wartime restrictions by exercising their privilege of changing representatives. The result was to upset the balance of power and Mr. Roosevelt has at the moment no working majority. The Republicans and the southern Democrats, whose distaste for the New Deal is profound, unite on many domestic issues to frustrate the White House wishes. This was true when many southern Democrats voted against the president on the inflation issue while many Republicans, who are secretly with Mr. Roosevelt on the broad objective of keeping costs down, voted almost to a man against him.

But Congress, it must always be remembered, is the preliminary battleground for the 1944 presidential election. And if the Republicans can keep American attention focused on domestic issues they heighten their chances of victory: They think their big job is to lick Roosevelt. One Republican who ranks high on a senior committee told me last week, however, that he was sincerely worried by the cabinet fights. If this keeps up, he said, the Republicans might be able to win without committing themselves on future foreign policy. That, he said, would not be a domestic but an international tragedy.

The point is a good one. If the Republicans think they can win on domestic policies alone they will duck the issue of American participation in the peace.

Fortunately their leaders, even the cautious Bricker of Ohio, seem to realize that the issue of American foreign policy must be squarely met.

Trading Slackens In Unlisted Mart

Mid-Week Review

Volume of trading was lower in unlisted stocks during the past week, according to Plaxton, McDonnell & Co. Profit-taking occurred in a few issues, but most stocks held firm.

Burns A stock regained its loss of last week at 11-11¾, and the B stock was also higher at 6¼-7. Federal Grain $6.50 preferred was up 1 point at 84½-87½, and Western Grain Co. 6½% preferred recovered 1½ points to 38¼-41. Quebec Pulp & Paper preferred was down about 3 points on the week at 24-27.

Persistent demand continued in Atlas Steels common stock, quoted at 23-24½; and Canadian Industries B common at 160 bid. John Inglis Co. common held its recent advance at 8¾-9½.

Shipshaw Deal In Feud Talk

(Continued from page 1)

now moving into the United States at the rate of 35 million lb. a month.

This means that the Aluminum Co. of Canada has already repaid between twenty and twenty-one million dollars of its total loan of $68 millions. While the advances amounting to the latter figure are interest-free Mr. Jones testified that he cancelled the interest to reduce the price on 80% of the total contracts from 17 to 15 cents a pound and that this meant a saving of 15 millions to the American taxpayer.

All three contracts with the Aluminum Co. of Canada had been made at the instance of the production high command in the United States and personally approved by President Roosevelt. The first contract was negotiated April 25, 1941. It was doubled one month later and expanded still a third time in February, 1942. The first advance to Canada of $25 millions carried with it provision for repayment at interest of 2%; the second interest at 3%. But when the price reduction was negotiated interest was cancelled.

Jones said further attempts would be made to reduce the Aluminum price in both the United States and Canada but that both American and Canadian contracts carried an escalator clause for increases in case of increase in labor and other costs. The Secretary observed that no costs had been reduced.

It is denied there is any surplus of aluminum. The demands of President Roosevelt's expanded aircraft program now calling for production of more than 100,000 airplanes makes it imperative that aluminum production be maintained. Jones said that when he made the deals with Canada it was not possible to get any more aluminum in the United States because of the power situation. He categorically denied discrimination against American development.

There is where the case rests. The prosecution may try a rebuttal. But the issue still remains in the background — public versus private power.

Amic Mica Mines has purchased the Simard property, owned by Mica Laurentian Mines. The property is 300 acres with two dykes reported carrying ruby muscovite mica, claimed to be partly developed. The company plans to commence production immediately. Assets involved in the transfer include a complete mining plant, a trimming and processing shop, plus a stockpile of some 1,500 lb. of unprocessed mica. Original plant and properties of Amic Mica are at Bonfield, Ont.

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Tea and Coffee Supply Gains

Shipping Improvement Eases Situation But Ration Change Doubted

Although the shipping situation has improved materially, it is likely to be some time before any increase in the tea and coffee ration can be expected. Ration authorities interviewed by The Financial Post say no immediate increase is contemplated. Imports of tea, it is believed, for the first five months of 1943 were a shade higher than last year, while coffee imports are estimated unofficially to be up about 30%. It is also admitted that substantial shipments of tea from the East and coffee from South America may be on their way now. But it is pointed out it would be desirable to build up substantial stocks of both before making any change.

Same Coupons Used

Apart from the question of supply, some difficulty is seen in the fact that in the current ration books, which do not expire until the end of August, the same coupons are used for tea and coffee. This combined with a belief in some quarters that the two should be kept in balance would tend to prevent the ration of one being increased without the other.

Another difficulty is seen in putting into effect a moderate increase especially as regards tea. One suggestion is that the tea ration might be increased from one ounce a week to say five ounces every four weeks or four ounces every three weeks. This would make the calculation of their purchases difficult for many people. It would also cause trouble in business circles, because tea is so often done up in parcels of two, four or eight ounces. The coffee ration of four ounces a week allows greater leeway in making adjustments.

Favors Coffee Drinkers

The present ration scale, it is estimated, favors coffee drinkers more than tea drinkers. At one ounce of tea or four ounces of coffee a week it is equal to 3¼ lb. of tea or 13 lb. of coffee a year per person.

Statisticians figure that, allowing 200 cups to a pound of tea or 60 cups to a pound of coffee, the ration is equal to about 650 cups of tea or 780 cups of coffee a year. However, many people have increased the number of cups in either case by reducing the strength of the beverage.

The present ration books expire the end of August. If the shipping situation in the Caribbean Sea and the Indian and Pacific Oceans continues to improve some adjustment might be made about that time.

Greater Control Of Ads Sought

(Continued from page 1)

ment purporting to be one of fact which is untrue, deceptive or misleading **or which advertisement is intentionally so worded or arranged as to be deceptive or misleading** shall be liable upon summary conviction to a fine not exceeding $200 or to six months' imprisonment or to both. Provided that any person publishing any such advertisement accepted in good faith in the ordinary course of business shall not be subject to the provisions of this subsection."

According to Justice Department officials, the aim is to prevent such abuses as were uncovered recently in a large sign which to all intent and purposes read "Fire Sale." On closer inspection it was found to have the words "No" in very small lettering at the top left corner and the word "Here" in equally small lettering in the bottom right-hand corner.

So far as printed advertisements are concerned it is felt that there is now adequate protection without the amending words. It is pointed out that a lot of explanations may be printed in advertisements in very small type and still be legal, legitimate and not misleading. It would require very small type indeed to be misleading and it is claimed here that the proposed amendment does not aim at that type of material.

BUILDERS WHO SEND Ships DOWN TO THE SEA

Canadian shipbuilders pay their tribute to the loyal heroism of those who sail our navy and merchant marine by a magnificent response to the cry, "Give us more ships!" The Bank of Montreal, through its branches in shipbuilding centres, gives helpful banking service to employers and workers in this, as in every war industry.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service . . . the Outcome of 125 Years' Successful Operation
A 111

Higher Newsprint Price May Be Known Soon

(Continued from page 1)

automatically and there would probably be some adjustments on overseas sales. The latter can be arranged by the manufacturers independently of the price fixing authorities in Ottawa and Washington, provided it does not involve the broad general policies of the Newsprint Administrator.

On an over-all basis, an advance of $5 a ton would give Canadian manufacturers close to $6 millions more in revenue between now and the end of the year.

Wood Supply Problem

While the matter of price is still unsettled, the operators are giving more and more thought to the question of wood supplies. Promises of the industry to deliver $210,000 tons of newsprint to the United States each month, plus a substantial tonnage of pulp, are predicated upon a reasonably adequate supply of new wood so that the mills will not have to dip into woodpiles too heavily.

Some mills are fairly optimistic on the wood supply for the coming year others the reverse. It is known that certain sections are very short of manpower and, over-all, it is believed that the wood supply is not too plentiful.

Cut Below Normal

Pulpwood cut in Canada in the past season was 1,000,000 cords less than was produced in the two previous seasons, and almost 1,000,000 cords less than the current annual rate of consumption.

The following table shows that amount of pulpwood produced during the last three cutting seasons for consumption in Canadian mills east of the Rockies, and apparent rate of consumption for the same periods:

Season:	Total Cut (cords)	Apparent Consumption
1940-41	7,000,000	6,330,000
1941-42	7,140,000	7,540,000
1942-43	6,070,000	7,000,000

Seek New Labor

Just now the industry is taking stock; drawing up an essentiality program. Farmers are being urged to cut wherever and whenever possible. Regular woodsmen are being trained to greater efficiency. There is also talk of requesting the government to permit prisoners of war to help get out wood. Such help would go a long way toward ensuring adequate supplies of pulpwood.

Allied with question of wood supply is the matter of newsprint consumption in United States which has been running well in excess of supply to date, saving of paper compared with 1941 base has been only 4.2% as contrasted with expected savings of 10%.

Orders received by Canadian mills from U. S. for July delivery totalled 240,000 tons as against 210,000 tons limit of shipments as a temporary measure to bring demands within range of supply.

Following this up the U. S. war production board now announces new cut in newsprint used for the present quarter ranging up to 5% for bigger newspapers and warned it would take action against any publisher failing to abide by the new quota.

In view of the limited success of the first order there is questioning here as to whether the new order will secure the desired result. The basic problem remains unsolved, namely, of restricting American orders to the available supply. Apparently the WPB hesitates to enforce rationing preferring to give the voluntary system another try.

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U. S. Policies Threatened

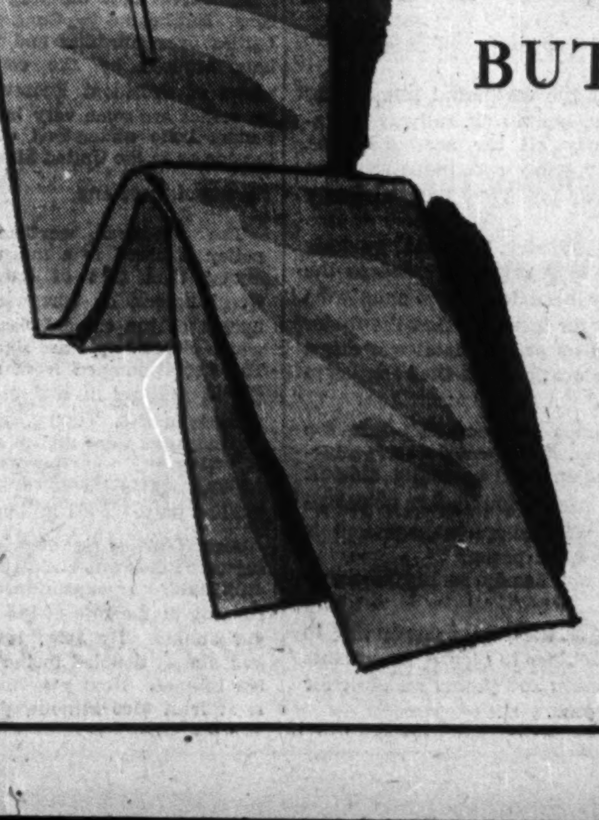
(Continued from page 1)

more upon selling the average man more than his 10% every payday. According to the classical economists, government sales to commercial banks create inflation dollars. The United States intends to reduce inflation pressure to some extent by selling more to individuals.

And in connection with high food prices the administration is flirting with the idea of entering business by purchasing the whole of the farmers' output, reselling it at a loss to processors and thus indirectly absorbing the squeeze which now spurs opposition to administration anti-inflation policies. Less well known is the fact that close studies are being made of the Canadian system of cost-of-living bonuses. While the latter are attractive to certain governmental officials, other economists point out that at one point in the inflation spiral you could have cost-of-living bonuses accelerating it because of the automatic escalator clause. Ordinary collective bargaining might actually slow the spiral.

These are some of the problems over which men are burning midnight oil in Washington.

Astoria Quebec Mines reports gold values in the sixth hole in its drill program being drilled to explore structure at approximately 1,500 ft. Drilling has reached a depth of 660 ft. and assays running as high as $9.10 over 5 ft. have been encountered, it is reported. Drilling has indicated a carbonate zone for a length of from 600 to 700 ft.



You May Not Know a Twist from a Twill BUT....

The minute you slip into these gabardines you'll know they're the logical choice for all-'round wear. The very feel of gabardine — the smooth, close, supple weave — tells you what experienced clothing men know — that gabardine is in a class by itself for service. Tan, sand, brown, blue or grey. Waist sizes 30 to 46. Pair 10.50.

Simpson's
The Store for Men—Second Floor

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Fort William, Ont.	June	Bank of Montreal	3½%	1944-58	$81,956	102.87	.....
Dominion—							
Canada Notes	July	Bank of Canada and Chartered Banks	1½%	1945	250,000,000	100	.....
Canada Treasury Bills	June	....	...	Oct. 1, '43	55,000,000	99.876	.405%
Provincial—							
New Brunswick	June	Midland Securities and Syndicate	3¼%	1958	2,500,000	98.289	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	—Offered by—	Rate	Due	Amount	Price	Yield
Canadian Breweries	June	Dominion Securities, Burns Bros. & Denton, McLeod, Young, Weir & Co.	3-4½%	1944-58	$3,000,000	100	.....

In Your Opinion—

What Should We Offer Liberated Allies?

The Question: How far should Canada go in offering special postwar trade, immigration and other concessions to our liberated Allies?

Charles Clay

Director, national publicity, League of Nations Society in Canada, Ottawa.

The kind and extent of Canada's postwar concessions to her liberated allies will depend on their condition when liberated. If the reports now coming from Europe are true, there will be no exchange of goods from those areas until rehabilitation, which may take three or four years.

On that basis, if Canada is alert to her responsibilities, she can take a major part in restoring the devastated areas. As soon as the last gun is fired, we should be ready to offer surplus goods and services, partly as outright gifts and partly as lease-lend, to this end. She should open her immigration gates wider, not to drain off the more fit of the liberated people but to welcome the homeless young into the fellowship of Canadian life. Canada has already won an enviable reputation for co-operation in the name of humanity. She has an opportunity before her to crown that reputation spendidly.

* * *

Kenneth Drury

Editor, Daily Times, Victoria, B.C.

Rehabilitation of the liberated countries across the Pacific as well as the Atlantic is fundamental to the postwar stability of Canada because of our high productive capacity per population and dependence on market for our exportable surpluses. Credits and other financial aid is essential for the rehabilitation of these countries. In order to hold our world economic position we must shoulder our share.

As corollary, we must give freer trade concessions to these countries, otherwise they will be unable to pay us back or continue as customers. We need population but immigration from our ally China is already out; likewise, probably much potential population from across the Atlantic because of racial stresses in central Canada.

* * *

C. F. Fraser

Editor, Chronicle, Halifax, N.S.

Let's liberate them first.

* * *

Jim Greenblatt

Editor, Sun, Swift Current, Sask.

For liberated allies in postwar, Canada should be favorably situated to offer special trade concessions, even if these remain unbalanced for a while. The goodwill gesture would eventually pay off.

Immigration should be definitely only on strictly selective basis without political considerations and pointing toward assimilation and enrichment of our national life. With our resources relatively unscarred by war, our duty is to go quite a way in financial aid to help our liberated allies reconstruct and rebuild their human resources even if this means continuing our own controls and rationing for several years so that others may be revitalized toward building the new world we visualize.

* * *

John G. Hart

Editor, Graphic, Portage la Prairie, Man.

If we are to have the millennium which all of us so fondly desire, co-operation will have to be the basis of it. Let us not, as Milton wrote, spend our time after the war talking, talking, talking in all the languages of the United Nations. If we do to others as we would have them do to us things will be in pretty good shape for the next hundred years or so.

* * *

A. L. Horton

Editor, Observer, Vegreville, Alta.

Removal of trade barriers is essential I believe in free trade on on international basis. Some selective immigration is advisable but no settlements in blocks. Canada cannot afford to carry thousands of inexperienced settlers for long periods. The Prairie Provinces view with dismay the possibility of being overloaded with unsuitable immigrants. I cannot express an opinion on financial concessions and possible change in setup after war.

* * *

John P. Pletschet

Editor, Times, Kamsack, Sask.

Immigration and financial concessions are not necessary if all trade restrictions are removed. This means United Nations control of the medium of exchange, removal of all taxes which tend to increase the price of commodities in exporting and importing countries, as well as all tariff and trade restrictions, because increased cost of goods to the consumer means less consumption, which will result in unemployment and demands for immigration and financial concessions.

* * *

Chas. J. Mitchell

Editor, Patriot, Charlottetown, P.E.I.

My opinion is, win the war first and leave the other matters to the peace conference.

* * *

J. K. Sutherland

Well-known farmer of Hanna, Alta.

Immediately victory is established and security provided against resumption of hostilities, enemies and allies must be provided gratis with foodstuffs and medical supplies to full capacity of the United Nations. Industrial and agricultural equipment must be supplied to all countries on lend-lease basis. Free exchange of goods is imperative if the United Nations are to maintain security and opportunity for democracy. Increase immigration into Canada to the extent of absorption by industry, business and the professions, agriculture having already passed the absorption point in prewar years.

The Struggle for Service

Hotels, Restaurants Lack Supplies, Help; Hit by Costs

Wooden spoons and paper serviettes may be laid out with rationed portions of food by servitors on crutches in Canadian restaurants and hotel dining rooms if current processes continue for very long. Such a picture is conjured up by an article in the July 15 issue of Canadian Hotel Review and Restaurant. Here is the story:

Shortages of help, shortages of commodities and the high price of certain food products, along with the maintenance of price ceilings on meals served, present a cross-word puzzle for Canadian restaurateurs and hotel dining rooms which may well spell trouble.

Most public eating places are having a problem in finding sufficient staff both for serving and for kitchen duties. Quite a number have attempted to solve this problem by initiating self-service. Others are contacting former waitresses who now are married but who can come in to help for three or four hours each day. Many restaurants are closing one day a week to enable the staff to get some rest.

Girls Leave Jobs

National Selective Service offices in the different provinces are aware of the need for help in the restaurants and are trying to maintain adequate staffs. However, many of the girls sent to the restaurants do not stick. After a few days, they leave and a new employee has to be introduced into the system used by that restaurant. Many restaurants planned using boys and girls from high school during the summer months, but the newest regulations permit National Selective Service to place individuals in the age group, 16 to 18, in more essential work. In some centres NSS is giving the restaurant industry a high priority on female help.

Most restaurants and hotel dining rooms are managing to hold their key people, but find a heavy turnover on the part of the staffs. It is necessary to consult with the War Labor Board regarding changes in salary. It has also been found that the instituting of group insurance, sick benefit insurance, holidays with pay and similar plans for improving employee relations have been valuable in retaining the senior members of staff.

Table Cloths Scarce

Table cloths are becoming scarcer on restaurant and hotel dining room tables. Serviettes are smaller or paper serviettes have been substituted for cloth even in some of the most prominent dining rooms of the Dominion. Silverware is still a problem, even though the WPTB has authorized a victory plating on silverware to provide a make-shift till the war ends.

Use of wooden spoons has been adopted in some of the larger restaurants. Although regular silver service is still provided in the main dining rooms, in some of the banquet rooms of the larger hotels, wooden spoons are now used. Where in most dining places, a complete set of dishes was formerly used, now one may find a wide variety of dishes, not even matching in color or design. Of course, the manufacturers of dinnerware have been restricted on the variety of dishes which they can produce, so it is not uncommon to see cups with or without handles. The same goes for glassware. Water may be served in glasses of all shapes and sizes, restaurants even using the old fashioned beer mug.

Food Costs Jump

In farm products, the restaurants and hotel dining rooms really meet the squeeze. Last year, Toronto restaurateurs bought strawberries at $3.75 per case of quarts. This year the price for the same is $6. Restaurateurs claim that they simply cannot sell strawberry pie at 10 cents per cut with berries at this price.

Imported lettuce had a normal cost of from $5.50 to $6 per case. This year the price has been $15 per case. Usually cabbage cost the restaurateur about 4 cents per lb. Recently they have been paying from 12 to 13 cents.

This price situation with a ceiling on sales price has compelled the valume food buyer for hotels and restaurants to watch the market very closely and where any commodity has been out of line in price, to discourage its use for the time being. To stay in business, it is necessary to keep food costs in line.

It has been anticipated that customers would complain about service, and the lack of variety on the menu. One restaurant manager tells the story of a guest who complained because there were only 5 kinds of salads from which to choose. The manager quietly asked the camplainant what selection he had when he dined at home.

Rationing

Although rationing of sugar, tea, coffee, butter and meat has created problems for the commercial dining rooms, most organizations are managing to get along. In this connection close contact of hotel and restaurant association officials with the rationing and service administration of the WPTB has been of definite value in straightening out minor difficulties.

Due to the shortage of linens, it has been urged that for permanent guests, bed linen be changed only twice weekly; no more than one hand towel and one bath towel be allotted to each guest per day; no change of bed linen for week-end guests; no change of bed linen for convention delegates, and a minimization of the use of table linen.

The cotton controller has requested the Hotel Association of Canada to gather statistics covering the requirements of all Canadian hotels for bed linens, table linens, towels, etc. This is being done so that the complete requirements of this field may be ordered for the three month period of October, November and December and later for the quarter, Jan., Feb. and March, 1944. There is a considerable shortage of cottons and orders must be placed with the international commission which handles the allotting of national quotas.

Goodyear Tire & Rubber reports that earnings for the first six months of 1943 compare favorably with the same period of 1942, in a letter to shareholders accompanying current dividend cheques. The company is now operating entirely on war orders and essential business.

THOMAS MONTGOMERY

H. J. MERO

UNION GAS DIRECTORS

Thomas Montgomery, Sarnia, and H. J. Mero, Windsor, who were elected directors of Union Gas Co. of Canada, at the recent annual meeting. Mr. Montgomery was chief engineer of Imperial Oil Ltd., until his retirement early this year. Mr. Mero is president of Truscon Steel Co. of Canada and interested in various other activities in Windsor.

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"Even with the war spread world-wide, our fighting men are delighted to find Coca-Cola being bottled right on the spot in so many places where they are stationed. And do they go for it when they find it! Who doesn't?"

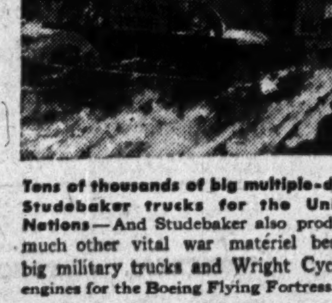
LISTEN to the Service Men's favourite radio program:—
"The Victory Parade with Mart Kenney and His Western Gentlemen"
every Monday and Friday, over CBC coast-to-coast network, 8:05 p.m. E.D.T.

THE COCA-COLA COMPANY OF CANADA, LIMITED

560

Swarms of Flying Fortresses fly on Studebaker-built Cyclone engines

The skies are studded with Flying Fortresses in many theaters of this global war. Almost legendary are the achievements of the expert crews that man this devastating Boeing bomber—and any manufacturer would be glad to play even a minor part in the victories it is rolling up. We, of Studebaker, have the responsibility of producing huge quantities of the Wright Cyclone engines that power the Flying Fortress, enabling it to travel so fast, so far, so high. Each of these supercharged engines we build adds new luster to a Studebaker reputation for sound craftsmanship that now spans more than 91 years. Studebaker equipment at the battle fronts will be succeeded, one day, by new and finer Studebaker motor cars and motor trucks for civilian use. Until that day, our first and only consideration is helping to arm the United Nations.



Tons of thousands of big multiple-drive Studebaker trucks for the United Nations—And Studebaker also produces much other vital war matériel besides big military trucks and Wright Cyclone engines for the Boeing Flying Fortress.

BUY WAR SAVINGS STAMPS

Awarded to Aviation Division of The Studebaker Corporation

Studebaker BUILDS WRIGHT CYCLONE ENGINES FOR THE BOEING Flying Fortress

MEET THE PRODUCT THAT
Protects the Tools of War

GLYPTAL SYNTHETIC PAINTS

BURSTING shells and machine gun fire are not the only enemies of Canada's planes, tanks, ships and guns. Weather is a destroyer, too; rust and corrosion must be guarded against constantly. That's where Glyptal Alkyd Resins help. These specially developed synthetics are produced by Canadian General Electric, and are used by Canada's leading paint manufacturers. Employed as the base in paints, they make possible the production of weather-resisting finishes which save Canada's vital war equipment from attack by heat, corrosives and severe climatic conditions. Glyptal, too, makes paints and varnishes fast drying —it speeds production of war supplies.

MANUFACTURERS OF WAR EQUIPMENT interested in the application of Glyptal to their war production problems are invited to contact their paint supplier or their nearest C.G.E. office.

MC-143

CANADIAN GENERAL ELECTRIC CO.
LIMITED

U. S. Gains Strategic Place in N. Z. Trade

Canada's Exports to N. Z. Should Hold Last Year's Levels But Action Needed From Exporters, Say Officials

"In reviewing the prospects of Canadian trade in the New Zealand market after the war, due regard must be had for the position of the United States, which currently is of greater importance than it was in 1939," says the Commercial Intelligence Journal of the Department of Trade and Commerce. Development of local manufacture and continuing nonavailability of shipping are cited as indicating some further reduction in wallboard imports, but increased arrivals of paper are forecast.

"Provided the situation in this theatre of war remains substantially unchanged, the commodities imported from Canada in 1943 should conform closely to those listed for 1942."

"Canadian exporters interested in the New Zealand market, particularly those whose products are prohibited entry or are seriously restricted, would do well to examine their trading positions and take the necessary action to maintain their interests and be ready to take advantage of opportunities when the war ends."

Peace, the report goes on to say, is bound to bring at least some relaxation of government controls, with the promise of still more during the reconstruction period.

Will New Industries Last?

"The extent to which the protection accorded the host of local industries since 1939 will continue is, of course, problematical, but it is certain that all such industries will not survive. Those most likely to receive favorable consideration are the ones that obtain their raw materials from local sources, such as the wallboard, cardboard, woollen, footwear, furniture and packaged foods industries. The position of many others, which for the most part operate in a small way, making toys, fancy goods, tinware, electric appliances, radios, etc., is not so secure, and no doubt will be affected by any international or world trade agreement that may be arrived at."

Slump in 1942 in Canadian shipments to New Zealand is attributed to tightened export control in Canada, to scarcity of shipping space, increased import control in New Zealand affecting one or two items, and the priority of shipment accorded war equipment, materials and men from United States ports, whence an appreciable quantity of Canadian merchandise ordinarily is shipped.

New Zealand's exports to Canada rose in value by 28%, almost entirely as a result of increased shipments of wool; respective values in 1942 and 1941 were £3.6 millions and £2.8 millions.

Imports from Canada in 1942 were valued at £2 millions as compared with £3 millions in 1941. This is the first time in recent years that New Zealand exports to Canada have exceeded in value her imports from that source.

Lumbermen Ask Wholesale Aid

Demand Timber Controller and WPTB Recognize Vital Place

From Our Own Correspondent

MONTREAL. — Warning against any wartime government policy which neglects to protect adequately the lumber wholesaler, the Canadian Lumbermen's Association, comprising most of the principal manufacturers as well as wholesalers, has made representations against present policies to A. H. Williamson, Timber Controller, and Donald Gordon, head of the Wartime Prices and Trade Board, its officials tell The Financial Post.

The wholesalers ask that the Timber Controller, when buying from manufacturers, should adhere to the timber control price setup, less the usual wholesaler's commission, in a letter to Timber Controller Williamson.

It is alleged that representatives of the Department of Munitions and Supply visiting the smaller mills are tending to upset the usual relations between manufacturer and wholesaler.

Upon these representations and other evidence, Canadian Lumbermen's Assoc. informs the Timber Controller Williamson of its conclusion that both the Timber Control and the WPTB have an erroneous impression of the importance of the wholesaler in the peacetime and wartime economy of the Canadian lumber industry.

A Vital Link

The Association reports that, on the basis of lumber handled by Quebec and Ontario wholesalers in 1942, 50% was from stocks which the wholesalers financed and purchased from the large mills on pro forma invoices.

It further estimates that the same group of wholesalers will handle 49% of the total lumber expected to be taken out during 1943 for New Brunswick, Ontario and Quebec, while British Columbia wholesalers are exected to handle 43% of the total B.C. lumber.

Say Wholesalers Needed

Canadian Lumbermen's Assoc. says that it has repeatedly studied trade policies since the outbreak of the war and it has always been its unanimous opinion that the normal trade structure should be preserved. It has advised the use of usual trade channels in so far as practicable.

The association claims to have evidence of "growing irritation" against the Canadian lumber trade in United States owing to wartime export restrictions.

While admitting the necessity of these restrictions at present, the association emphasizes the importance of maintaining wholesale organizations, which have not only developed the United States business, but are looked upon by the Association as the only medium of its re-establishment when purchases on account of the U. S. Government terminate.

The association holds there is immediate need for an unmistakable assurance from both the Timber Controller and the WPTB that they realize the importance of the lumber wholesaler and will protect his interests under their regulations.

Cobalt Products Meeting To Consider Mill Sale

Annual and special general meetings have been called for July 14 by Cobalt Products to consider a reported offer from H. T. Leslie to purchase the company's 100-ton mill for $45,000 and an option to the same prospective buyer on the Temiskaming mine for $4,500.

Cobalt Products operate the Forest, Provincial and Savings Mines in Coleman Township, and the Agaunico Mine in Buck Township, Cobalt district of northern Ontario. President Joseph McDonough reports that ore reserves at the operating properties are sufficient for at least until Dec. 1, 1943, and that all cobalt produced is being sold to the Dominion Government. For the year ended March 31, 1943, gross income amounted to $274,350, expenses $263,647 and writeoffs $9,951, leaving a net profit of $752. The balance sheet shows a working capital of $46,329 and shares outstanding, 63,003.

CPR Income Rises in May

Net Earnings Reverse Trend and Are Highest on Record for Month

From Our Own Correspondent

MONTREAL. — Reversing the trend prevailing in recent months, net earnings of the Canadian Pacific Railway for May were the largest of any month this year, slightly ahead of May last year and the largest on record for this particular month.

Net operating income in May at $4.3 millions was 13.6% above the preceding month and 1.9% ahead of May 1942.

For the first five months of the current year, the company reports gross income of $111.5 millions, or $11.7 millions ahead of the like period last year. Expenses on the other hand increased by $12.7 millions, leaving net earnings this year at just under $16.8 millions, or a million less than in 1942.

	1943	1942
May		
Gross earnings	$24,205,061	$21,522,075
Work. expenses ..	19,891,648	17,288,515
Net earnings	4,313,413	4,233,560
January-May		
Gross earnings	$111,533,314	$99,788,426
Work. expenses ...	94,751,589	82,014,708
Net earnings	16,781,725	17,773,718

Investment Notes

Algoma Copper Mines drillhole No. 4 has cut the vein at 100 ft., it is reported. Originally expected at 152 ft. the difference is thought to be the result of faulting. Quite heavy mineralization was shown through about 16 inches of the core. Hole No. 5 is being drilled to determine the width of the diabase extrusion which has caused disturbance of the vein structure. It seems probable that the surface and underground veins are entirely separate. A rich section of cuprite ore has been located near where the present drilling is taking place, it is reported.

* * *

Central Patricia Gold Mines reports gross production of $450,348 for the quarter ended with March, showing a decline from the December quarter of $468,828. Tons milled also dropped from 34,672 to 34,226. Net profits for the March quarter were $155,972, it is reported. While the milling rate was lower for the March quarter than the 1942 quarterly average, the net rate was somewhat higher.

* * *

Dominion Coal Co. collieries raised 230,149 tons to the surface in June. This contrasts with 245,218 tons in the previous month and 252,964 tons in June last year.

* * *

International Petroleum's production and that of other producers of crude oil in Colombia continues far below last year. Oil & Gas Journal reports average daily output for the first quarter of 1943 at 11,494 bbls. compared with 64,944 bbls. for the corresponding quarter of 1942. At the same time production, while far below that of last year, was almost double that of the last quarter of 1942 at just over a million barrels compared with 570,000 bbls. in the closing three months of 1942. International Petroleum, the largest producer in Colombia, is also the major producer in Peru and has important interests in Venezuela.

* * *

United Grain Co. has declared a dividend of $1 a share on its 5%, $20 par, class A preferred stock and 25 cents a share on its $5 par, class B common stock. Both are payable Sept. 1, 1943, to shareholders of record July 31. The last previous payment was made in the same amounts Sept. 15, 1942.

* * *

Canadian Breweries Ltd. has published notice that on Sept. 15, 1943, it will redeem all its outstanding Series A (5½%) debentures and Series B (4½ and 5%) debentures at par and accrued interest plus the following premiums:

On Series A 5½% debentures and Series B 4½% debentures—2% premium;

On Series B 5% debentures—½ of 1% premium.

The Series A 5½ debentures will be redeemed at the principal office of the Dominion Bank in London, England, or Montreal or Toronto. The Series B 4½% and 5% debentures will be redeemed at the principal office of the Dominion Bank at Montreal or Toronto.

Aluminum Up To Ten Times Prewar Level

Canada to Turn Out More Than Billion Pounds of Metal

By STAFF WRITER

OTTAWA. — Canada expects to produce in excess of one billion pounds of aluminum in 1943—an amount 10 times the rated capacity of total pre-war aluminum production in this country.

Actual tonnage figures were disclosed by Hon. C. D. Howe for the first time during committee discussion of departmental estimates recently.

The record as given by Mr. Howe in short tons and the corresponding poundage figures are as follows:

Production of Aluminum in Canada

	Short Tons	Pounds
1939	82,800	165,600,000
1940	109,200	219,200,000
1941	212,300	424,000,000
1942	335,800	671,600,000
1943*	503,000	1,006,000,000

*Estimated.

Under pressure from Mr. Coldwell Mr. Howe also disclosed actual prices Great Britain and the United States were paying for their aluminum. Earlier it had been indicated that Aluminum Co. of Canada had reduced its base price from 20 cents (pre-war) to 15 cents per pound (U. S. funds). Mr. Howe revealed this week that the escalator clauses which are now written into British and United States contracts have increased the base price by 5½ cents a pound (Canadian funds) for the first quarter of 1943. Thus the effective price of aluminum at the present time is 21½ cents (Canadian funds).

The escalator clause, as stated by Mr. Howe, amounted to two cents per pound in the first quarter of 1942; three cents per pound in the second quarter of 1942; four cents a pound in the third quarter and four and one half cents a pound in the last quarter of 1942. These prices are all in Canadian funds. The "escalator" price is determined at the end of each quarter after actual costs are known. For the first quarter of 1943 the escalator price is 5½ cents a pound.

Mr. Howe indicated that the base price of aluminum to Canada and other United Nations (in Canadian funds) was 21½ cents at the beginning of the war; 20 cents in 1940; 18½ cents in 1941 and that (in Canadian funds) it has been 16 cents since July, 1942.

Price Lower Than in U. S.

Mr. Howe reiterated that the Canadian Government has no contract for ingot aluminum with the Aluminum Co. of Canada. Canadian contractors (that is, manufacturers of airplanes and other users of aluminum for war purposes) purchase 95% of their requirements in the form of fabricated aluminum at a price agreed upon some time ago and which is not subject to the escalator clause.

The price which Canadian fabricators pay, according to Mr. Howe, "happens to be the lowest price at which anybody is buying fabricated aluminum in any part of the globe. I think it is lower than the price at which fabricated aluminum is sold in the United States."

Significance of the vast expansion of Canadian aluminum production may be indicated by the fact that pre-war production in the United States in 1937 and 1938 was less than 300 million pounds.—or 30% of Canadian production in 1943. Canadian production in 1943 will almost equal the entire world output of aluminum in 1937.

Can. Capacity Equals Axis

It is reported here unofficially that Canadian production alone (estimated until recently to have represented 40% of United Nation requirements) is now approximately equal to Axis production. Production in the United States is said to be projected now at twice that amount.

Roughly this would mean that Canadian and Axis capacity is now roughly 500,000 tons each. Planned U. S. capacity is expected to exceed one million tons.

Prior to the war total world production was approximately 500,000 tons or less than one quarter of present planned or actual capacity.

Western Farm Aid Is Lower

A total of $31.3 millions was paid to farmers under the various plans of agricultural assistance in the fiscal year 1942-43, according to information tabled recently in the House of Commons. This represents a reduction of $28.2 millions from the previous year's figure.

Payments under the Prairie Farm Assistance Act, which provides a schedule of rates payable in the event of low yields, went to a fraction of their previous figure.

Prairie farm income payments, the smallest of the three in total, showed a large reduction. These payments were made in lieu of an increase in the government guaranteed price for wheat.

Fiscal Year:	Man. ($000)	Sask. ($000)	Alta. ($000)
Prairie Farm Assistance			
1942-43	8	1,204	1,081
1941-42	85	11,138	2,458
Prairie Farm Income			
1942-43	129	1,100	1,489
1941-42	2,862	9,214	4,222
Wheat Acreage Reduction			
1942-43	4,314	13,806	6,406
1941-42	3,835	16,668	9,150

1941 TRADE WITH CHILE

Canada in 1941 stood in 14th place as a Chilean source of supply, the Department of Trade and Commerce reports from Santiago. Canadian shipments were valued at 2,313,356 pesos (6d gold) as compared with 296,436,378 pesos value from the United States and 48,220,082 from the United Kingdom.

More Securities Are Eligible

Add 29 Stocks to Those Eligible For Life Companies

The list of securities considered eligible for life insurance company investments, published by Cochran, Murray & Hay, members of the Toronto Stock Exchange, includes this year a section devoted to securities which are considered to have become eligible during the past year.

Of considerable interest to institutional investors, and to the large number of private investors who confine themselves to buying "eligibles," the publication offers a comprehensive list of this class of securities, along with back records of their earnings and dividends.

Stocks appearing in the publication for the first time include the following:

Preferred Shares

Aluminium Ltd., 6% cum.
Aluminum Co. of Canada, 5% cum.
Canada Starch Co., 7% non-cum.
Canada Wire & Cable Co., 6½% cum.
Dominion Fabrics Ltd., 6% cum.
Dominion Tar & Chemical Co., 5½% cum.
Dunlop Tire & Rubber Goods Co., 5% cum.
Gatineau Power Co., 5% cum.
Gatineau Power Co., 5½% cum.
General Steel Wares, 7% cum. partic.
Power Corp. of Canada, 6% non-cum.
Scythes & Co., 7% cum.
H. Simon & Sons, 7% cum. convert.
Stedman Bros. Ltd., 6% cum. convert.
United Corporations Limited, $1.50 cum.
Zellers Limited, 6% cum.

Common Shares

Crown Cork & Seal Co.
Economic Investment Trust.
Royalite Oil Co.

Junior Mining Securities

Beattie Gold Mines (Quebec).
Cariboo Gold Quartz Mining Co.
Central Patricia Gold Mines.
Island Mountain Mines Co.
Kirkland Lake Gold Mining Co.
McKenzie Red Lake Gold Mines.
Pickle Crow Gold Mines.
Premier Gold Mining Co.
Sheep Creek Gold Mines.
Siscoe Gold Mines.

Power Usage Sets Record

May Returns Highest in History of Electrical Industry

From Our Own Correspondent

MONTREAL. — Both production of electrical energy and consumption of primary power in Canada established an all-time record in May.

According to the Dominion Bureau of Statistics, central electric stations had an average daily production of 113 million kw.h., as against 109 million kw.h. the month before, and 102 million kw.h. in May, 1942.

Consumption of primary energy last May totalled 97 million kw.h., contrasted with the previous all-time record of 96 million kw.h. in March, 1943, and 86 million kw.h. in May, 1942.

N. B. Back to Normal

A feature of May production returns was the re-establishment of full-scale production in New Brunswick which, in recent months, has suffered through a shortage of water. At the same time a notable gain in production was recorded in Quebec, where operation of the new Shipshaw plant is now beginning to make itself felt in the returns.

Electricity Production
(Thousands of Kilowatt Hours)

	May 1943	May 1942
Prince Ed. Island	747	694
Nova Scotia	43,627	40,927
New Brunswick	43,340	42,605
Quebec	1,643,026	1,302,318
Ontario	1,068,663	1,045,701
Manitoba	150,080	132,690
Saskatchewan	57,749	48,547
Alberta	41,117	34,292
British Columbia	216,356	211,380
Total	3,266,705	2,949,154

Quebec Sets Pace

The major share of the gain in firm power consumption last May, compared with the same month last year, was set up by Quebec, where aluminum manufacture continues to expand. Also of interest was the gain in firm power usage in the three Prairie Provinces.

Primary Power Consumption
(Thousands of Kilowatt Hours)

	May 1943	May 1942
Prince Ed. Island	747	694
Nova Scotia	43,627	40,673
New Brunswick	42,424	38,537
Quebec	1,498,121	1,221,087
Ontario	998,700	970,045
Manitoba	102,455	92,407
Saskatchewan	57,749	48,547
Alberta	41,117	34,292
British Columbia	218,335	211,133
Total	3,003,275	2,657,415

TCA Sets Record Pounds Mail Carried

Trans-Canada Air Lines carried 313,786 lbs. of mail in May this year, or double the 166,420 lb. reported for the same month last year. The number of passengers at 12,242 compared with 9,549 a year ago, while express at 57,220 lb. was more than double the 22,184 lbs. carried a year ago.

Cumulative returns for the first five months of this year showed air mail totalled 1,423,118 lb. compared with 689,991 lb. last year. Passengers numbered 52,131, as against 37,333, while air express at 260,589 lb., was up 80,428 lb. over the like period of 1942.

Rail Controller Ends Summer Tourist Fares

Summer tourist fares on the railways are out indefinitely, according to Transit Controller T. C. Lockwood, in order to conserve equipment, motive power and fuel "and to assure maximum use of railway facilities for the transport of the armed forces, munitions and supplies."

The new order applies to reduced tourist fares and the 21-day limit tickets formerly available between many points in Canada during the summer months, and it comes after the special week-end and other excursion fares had already been suspended.

St. Anthony Gold Mines will soon consider sale of assets to Gold Island Porcupine Mines, Ltd., in exchange for shares in that company, it is stated in the St. Anthony annual report. Present plans provide for sale of machinery and equipment to the amount of $250,000 or 600,000 shares of Gold Island Porcupine. Upon approval, shareholders will be given rights to subscribe for Gold Island treasury shares.

Post Readers Attack Unsound Stock Sales

Among letters received this week by The Editor of The Financial Post are the two following, dealing with stock selling.

Editor, The Financial Post:

I have just had a very disturbing experience with a high pressure telephone stock salesman. Technically I understand his operation on me was legal. I had received several pieces of blaring promotion literature but had had no dealings with the outfit. He called me at my place of business.

Fortunately I have been exposed to this sort of thing several times before and did not fall for the line, but what disturbs me so much is that this sort of thing should be allowed to go on at all.

No wise man is ever going to buy stock he never heard of from people he never heard of over the telephone. That isn't even a sensible way of taking a gamble on a long shot, because dealing with people you don't know, you can't tell how the game is being run.

The only people taken in by this telephone business will be the people without any experience, the old and the young, widows and other groups which society now concedes should be protected.

In my telephone call today, this is what happened:

After asking solicitously if I had been receiving their market letters, the voice at the other end of the line started painting a glowing picture of western oils, declaring a strong stock market had developed in them and of the possibilities of one particular issue, an oil stock which he stated was quoted at 23½ cents to 24½ cents. He told me the issue had been moving up steadily. He stated how strongly he and his firm felt that it would advance considerably further the next two or three weeks.

"We are confident the stock is selling well below its intrinsic value," the salesman declared. "We have no financial interest in the stock as we are commission brokers only. We would like you to have a profit on a first trade with us so we can look forward to further trades from you. We are going to try to arrange to buy a large block of the stock at the bid price of 23½ cents, and would like you to come in for, say, 1,000 shares."

A statement that I was only interested in running my own business failed to dampen the ardor of the voice.

"Canada needs oil so badly the price of oil has gone up," he said. "People are finding it good business to buy stocks to make profits which aren't subject to income tax. Well, Mr. M., I would like you to make a first trade with us at a profit and I would suggest a board lot—500 shares. Now we are commission brokers and I can't make my living out of commissions on small trades, so in this case I am prepared to offer you a discount of the entire commission."

When I said I would think it over, he said he would phone me back in a day or two as it would hardly be good business to pay 29 cents when I could buy for 23½ cents. He would so like to see me make $150, he assured me.

The fact that so much of this blind telephone selling goes on proves that a lot of people fall for it. Why isn't it stopped? Nobody can seriously or honestly claim that stopping it will hurt the development of our natural resources. Certainly it can only bring harm to the community as a whole.

C.M.

Toronto.

Editor, The Financial Post:

Please accept my congratulations on your recent articles about unsound stock selling methods in the United States, of Canadian securities. Your issue of June 26 is an excellent start. The damage caused affects the whole of Canada as well as Ontario. Further, the same laws should apply to the sale of securities both in and outside of Canada, including Europe.

Only a few people realize that the unwillingness of the English and Scottish investor to take an active part in the development of our mines is not due entirely to the different methods employed in calculating the ore reserves.

It stems back to 1885 and from then until 1914, during which period tens of millions of pounds were lost in Canada due to bad promotion, bad management, lack of information, etc.

Unless positive action is taken quickly to amend our laws, Canada is going to lose hundreds of millions of dollars of American investment by the action of a very few.

The fundamentals for the financing of a country like Canada, during the long development stages is that the "risk money" should be provided by Canadian financiers, businessmen, engineers, etc., who have the necessary local knowledge, experience, organization, etc., to try out a number of undertakings, pick out the best and carry the project to the earning and dividend-paying stage.

Fifteen years ago Canadians did not have the surplus funds necessary to carry out such a program. But thanks to the enormous income from our mining and industrial companies that is all changed. Now Canada can, without a cent of foreign money, develop our industries and mines as rapidly as good business justifies.

Of course large and experienced American and British Corporations can carry on development work in Canada safely, but not the American public, nor the British public.

It is not fully realized that each American investor who thinks he has been gypped not only never invests in Canada again, but he delights in telling other investors for the rest of his life not to invest in Canadian securities.

The Government of Ontario must take the lead as Toronto is the centre of undesirable operations. First it is necessary to secure the co-operation of all the newspapers in Canada to follow your lead and educate the people of the fallacy of our government protecting such operators, who are mostly Americans, at our expense.

The Ontario and all security commissions should be added to the Judiciary and taken out of the hands of our politicians. Our courts are among the best in the world and this would eliminate most of the pressure groups, possibility for graft, stupid interpretation of the laws, etc.

Next, there should be active and real co-operation with the U. S. SEC and offenses should be extraditable. The U. S. Government will bear all the expense and clean it up quickly. (We had an interesting case recently, where the money was returned.)

Most of the trouble in the U. S. is caused by first a long build-up by mail and then a skilful closing by an expert. Of course, some of the closing is being done by American or Canadian salesmen within the U. S.

I am a Canadian, a graduate of the RMC with engineering experience in Canada, U.S. and Europe. From 1926 until 1938 I was a member of the Montreal or Toronto Stock Exchange, so that I believe that I know the problems and answers necessary to clean up the present very dangerous situation.

Thanking you for your kind consideration,

Yours faithfully,
CANADIAN.

New York.

U. S. Pulp Supply Behind Demand

From Our Own Correspondent

MONTREAL. — United States paper and paperboard industry faces a serious pulp shortage, the War Production Board reporting "no prospects of being able to obtain a supply of woodpulp sufficient to meet current consuming demands."

Deliveries of woodpulp are running 26% under 1942, while supplies at paper mills are declining at the rate of 34,000 tons a month.

Consumers were asked to restrict their use of pulp, particularly of the scarcer grades, to the production of essential paper and paperboard items, and to make increased use of waste papers and other secondary fibres.

While the Canadian industry is being pushed to meet domestic demands and promised deliveries of pulp and paper to the United States and elsewhere, the situation is regarded as being under control.

Davies-East Crest Well Down 1,505 Ft.

Deca No. 2 well, Athabasca test of Davies and East Crest, was reported down 1,505 ft. early this week. Advice from the drillers is that careful samples and cores taken in the past few days seem to indicate that the hole is higher on structure than at the old Athadome No. 2 well. Samples and cores are being sent to the company's geologist, Dr. J. O. G. Sanderson, and a report is expected shortly.

The company advises that payment has been received for an additional 25,000 shares to apply on the July 1 option installment under agreement with Haras Corporation Ltd. Balance exercisable July 1 under this agreement is 125,000 shares together with 100,000 shares under an agreement dated Feb. 22, 1943, or a total of 225,000 shares. Outstanding capitalization is now 2,198,587 shares.

New Issue

United Corporations Limited

Fifteen Year 4% Bonds

Due July 15th, 1958

Denominations: $100, $500 and $1,000

Price: 100 and accrued interest

Descriptive circular furnished upon request.

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Toronto Share Value Highest Since 1940

A new record high of $4,516,186,315—$4.5 billions—was set for the value of listed stocks on the Toronto Stock Exchange at the end of June, President W. G. Malcolm announces. Not only was this the highest figure for 1943 but it represents the highest figure reached since March, 1940.

Quoted values at the end of March represented an increase of $81.6 millions over May and were approximately $1,250,000,000 higher than a year previous. Average price for all issues was $6.64 compared with $6.54 a month previous and $4.82 a year ago. Average value in the industrial group rose from $19.08 in May to $19.51 at the end of June while the average price of mines was $2.85 compared with $2.81 a month before.

National Steel Car, prior to expropriation of its Malton plant by the Dept. of Munitions and Supply, received payments of $17.7 millions from the Canadian and British Governments. Before expropriation Malton had produced 225 Lysander planes and 383 Ansons, in addition to making parts for other planes and doing assembly and overhaul work.

Amic Mica Reports Operations Expand

With over 150 people now employed on Eau Claire white mica mining and processing alone, Amica Mica Mines is rapidly expanding its operations, President Norman Vincent informs The Financial Post. A double-shift was instituted last week.

Mr. Vincent says that work at the newly-acquired Simard property has shown indications of high grade ruby mica over a length of 150 ft. and an average width of 30 to 40 ft. in No. 1 vein. A considerable length is also reported for No. 2 vein. Processing of this mica will be carried out at a shop in the village of Escoumain, Que.

$250 Million Dominion Note Issue Refunded

The refunding of $250 millions of Dominion of Canada 2½ year 1½% notes has been announced by Finance Minister Ilsley.

The new issue is of 2 year 1½% notes and will be sold to the Bank of Canada and the Canadian chartered banks in the same amounts as they held of the maturing issue, the Minister said. The notes were issued at par and dated July 2, 1943.

HARRY G. STANTON
H. WILLIAM HATCH

*D'ALTON McCARTHY
S. C. HETHERINGTON

Data furnished on all Canadian listed securities.

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even Months Dividends how $3.7 Millions Drop

July Drop More Than Accounted for by Change in Brazilian Payment Dates — New Extras Announced This Month

Although the total of dividends to e paid in July, as estimated by The inancial Post, shows a drop of $2.5 millions from July, 1942, the difference is more than made up by the fact that Brazilian Traction paid its dividend in June this year, July last year. The Brazilian payment amounted to $2.8 millions.

Despite the generally favorable picture for July, total dividends in the first seven months of 1943 are still down $3.7 millions (some 2.4%) from last year.

Dividend changes for the month show eight extra payments, three rate increases, three reductions, two payments on arrears, one participating dividend and one resumption of payments.

Increasing their dividends were Consolidated Bakeries, (20 cents against 15 cents); Canadian General Investments (15 cents against 12½ cents); Standard Chemical with $1.25 against the previous 75 cents.

Paying its first common dividend since 1931, Canada Bread declared a common payment of 10 cents. Canadian Canners paid participating dividends on its first and second preferred.

Reductions came from Great Lakes Power, dropping from $3 per share to $2; from Wright-Hargreaves, dipping from 10 cents to 7½; and Silbak Premier which cut its payment from four cents to three cents.

Easy Washing and Standard Fuel are making payments on arrears, while the bonus payers include Bralorne, Canadian Indemnity, Smelters, Dominion Foundries, Dominion Oilcloth, Fernie Brewing, Guarantee of North America and Montreal City & District Bank.

Monthly Dividends

	1943	1942
January	$20,222,823	$22,952,057
February	9,688,637	10,016,154
March	26,372,190	27,730,638
April	20,362,954	21,221,615
May	7,998,821	6,357,276
June	50,910,505	48,456,376
July	25,056,464	27,581,376
Total	160,612,394	164,315,492

Industrials, Utilities

Company:	Rate $	Date	Amount $
Acme Glove, pref.	3.25s	2	22,356
Agnew Surpass, pfd.	1.75q	2	15,333
Algoma Steel, pfd.	2.50s	1	52,387
Amal. Electric	.30	10	25,324
Amer. Cyanamid, A, B	†.15q	1	395,854
Do., pref.	†.12½q	1	161,673
Assoc. Breweries, pfd.	1.75q	1	9,867
Barber Ellis, pfd.	1.75s	15	2,100
Beath & Son, A	.80	15	80,000
Beatty Bros., A	.25	1	9,750
Do., 2nd pref.	3.50s	1	23,786
Belding Corticelli	1q	1	7,495
Do., pref.	1.75q	1	13,142
Bell Telephone	2q	15	1,692,796
Biltmore Hats	.15q	15	12,000
Brant. Cordage, pfd.	.32½q	15	11,589
Brazilian Tr., pfd.	1.50q	2	5,370
B. C. Elec. Pr. & G., p.	1.50q	1	75,000
B. C. Power (A)	.50q	15	500,000
B. C. Elec. Rly., pfd.	2½%s	15	174,000
B. C. Telephone, 1st pf.	1.50q	1	15,000
Building Products	.15q	1	72,507
Burlington Steel	.15q	2	21,000
Canada Bread	.10	1	20,000
Do., 1st pref.	1.50q	1	18,750
Do., (B) pref.	.62½q	1	15,625
Can. Nor. Power	.15q	26	60,000
Do., pref.	1.75q	15	96,250
Canada Packers	1q	2	200,000
Can. Steamships, pfd.	1.25s	2	286,562
Candn. Breweries, pfd.	.85q	1	145,019
Candn. Canners	.12½q	1	17,223
Do., 1st pref.	.25+.05q	1	57,263
Do., conv. pref.	.15+.05q	1	70,982
Canadian Car, pref.	.53q	10	148,400
Candn. Converters	.50q	31	8,667
Candn. Cottons	1q	2	27,155
Do., pref.	1.50q	2	50,109
Can. Fairbanks, pfd.	1.50q	15	16,893
Can. Food Prod.	.50q	1	12,231
Candn. Gen. Elec.	2q	1	377,690
Can. Industries, A, B	1.25	31	875,176
Do., pref.	1.75q	15	81,375
Can. Light & Pr.	.50s	15	16,624
Can. Wallpaper, A, B	1a	21	129,246
Can. Westinghouse	.50q	1	273,000
Can. Wire. Box (A)	.37½q	1	19,093
Carnation, pref.	†1q	1	50,000
Celanese of A., pr. pf.	†1.25q	1	47,138
Do., 7% pref.	†1.75q	1	288,431
Do., 2nd pref.	†1.75q	1	259,312
Comm. Alcohols	.05	15	10,025
Do., pref.	.10q	15	5,000
Cons. Bakeries	.20q	1	63,800
Consumers' Gas	2q	1	291,104
Dom. Foundries, c.	.25	2	91,253
Do., extra	.10	2	36,501
Dominion Glass	1.25q	15	53,125
Do., pref.	1.75q	15	45,500
Dom Oilcloth	.30q	30	210,000
Do, extra	.10	30	70,000
Dom. Textile	1.25q	1	337,500
Do., pref.	1.75q	15	33,960
Easy Washing, pfd.	.17½q	2	1,125
Do., arrears	.17½	2	1,125
Famous Players	.25q	3	107,631
Fanny Farmer	†.37½q	1	134,889
Fernie Brewing	.60a	2	10,651
Do., extra	.25	2	8,188
Foundation Co.	.35q	23	29,610
Freiman, A. J, pfd.	1.50q	1	13,156
Gatineau Pwr., 5% pfd.	1.25q	1	152,450
Do., 5½% pref.	1.38q	1	48,300
Goderich Elevator	.25s	2	21,001
Goodyear Tire	.63q	2	162,073
Do., pref.	.62½q	2	72,348
Gt. Lakes Pap., A, B, pf.	.25	2	50,000
Gt. Lakes Power	2	15	60,000
Do., pref.	1.75q	15	13,125
Gt. West Sadd'y, pfd.	.75q	6	5,244
Greening Wire	.15q	1	28,500
Goulds Pumps, pfd.	†1.75	6	13,080
Hamilton Cotton	.10q	2	2,000
Do., pref.	.50q	2	8,817
Harding Carpets	.10s	2	17,493
Hinde & Dauch	.25q	1	74,983
H. Smith Paper, pfd.	1.50q	20	107,554
Hudson's Bay, pfd.	2½%	1	155,000
Intercol. Coal	2s	2	20,000
Do., pref.	4s	2	7,932
Inter. Bronze	.20q	15	20,000
Do., pref.	.37½q	15	37,500
Inter. Milling, pfd.	†1.25q	15	67,895
Inter. Power, pref.	1.75	1	140,000
Jam. Pub. Service	.17q	2	22,950
Do., pref.	1.75q	2	13,125
Lang, J. A.	.17½q	2	17,500
Lindsay, C. W., pfd.	2	31	8,824
Maritime Telegraph	.17½q	15	69,618
Do., pref.	.17½q	15	26,250
Mod. Containers	.30q	2	7,500
Do., pref.	1.37½q	2	4,125
Mtl. Light & Pwr.	.38q	31	1,705,832
Montreal Telegraph	•.48q	15	24,000
Moore Corp.	.55½q	1	235,589
Do., A, B, pref.	†1.75q	1	52,357
Murphy Paint	.20q	1	13,760
Do. pref.	1.37½q	1	5,313
National Brew.	.50q	1	360,686
Do., pref.	.44q	1	48,840
National Grocers	.40	1	118,340
Do., pref.	.37½q	1	53,949
Nat. Steel Car	1q	15	175,500
N. B. Telephone	.13q	15	83,028
Niag. W. Weaving	.25	2	28,750
Nor. Ont. Power	.12q	26	28,804
Do., pref.	1.50q	26	37,474
N. S. Light & Pr., ord.	1.50q	1	51,784
Ogilvie Flour, c.	.25q	1	150,000
Ottawa El. Rly.	.50q	1	17,598
Ottawa L. H. Pr.	.15q	1	21,000
Do., pref.	1.25q	1	21,250
Page-Hersey Tubes	1.25q	1	217,845
Porto Rico Pwr., pref.	1.75q	1	17,500
Power Corp., pref.	1.50q	15	75,000
Do., 2nd pref.	.75q	15	75,000
Price Bros., pref.	1.37½q	1	86,409
Prov. Paper, pref.	1.75q	2	61,250
Riverside Silk, A	.50q	2	15,000
St. Law. Corp., A, pfd.	.25q	15	72,044
St. Law. Paper, pfd.	.75q	15	101,670
Scythes & Co.	.50s	15	12,500
Do., pref.	.87½s	15	10,500
Sherwin-Wms., pref.	1.75q	2	60,550
South. Can. Pwr., pfd.	1.50q	15	106,333
Stand. Chemical	1.25	31	46,721
Standard Fuel, pfd.	1q	1	11,560
Do., arrears	1	1	11,560
Stand. Radio, A, B	10q	10	21,500
Stedman Bros.	.15q	1	13,500
Do., pref.	.75q	1	4,500
Supersilk H., pref.	2.50s	2	11,132
Tamblyn, G.	.20q	1	22,400
Do., pref.	.62½q	1	3,750
Tip Top Tailors	.07½	1	9,000
Do., pref.	1.75q	1	17,216
Tuckett Tob., pref.	1.75q	15	35,000
Twin C. Rapid, pfd.	†3.50	1	105,000
United Fuel, pfd. A	.75q	1	67,500
Viau, pref.	1.25q	1	11,825
Wabasso Cotton	1q	1	69,903
West Koot. Power, p.	1.75q	2	8,750
Western Grocers	.75q	15	12,706
Do., pref.	1.75q	15	20,900
Weston, Geo., c.	.20c	2	80,884
Wilsil	.25q	1	33,925
Total			14,851,360
Mining Companies			
Anglo Huronian	.10	22	150,000
Bralorne Gold	.20q	15	249,400
Do., extra	.10	15	124,700
Cariboo Gold	.02	2	26,666
Cons. Smelters	.50s	15	1,636,165
Do., bonus	.75	15	2,457,247
Dome Mines	.40q	30	800,000
Hollinger Cons.	.05	15	246,000
Howe Sound	†.75q	2	355,717
Moneta Porcupine	.02q	15	50,877
Pend Oreille M.	†.06	28	97,938
Preston E. Dome	.05q	15	150,000
Premier Gold	.01½q	15	75,000
Proprietary Mines	.07	7	64,363
Sheep Creek Gold	.04q	15	75,000
Sigma Mines	.30	28	300,000
Silbak Premier	.03q	26	75,000
Sullivan Cons.	.02½	15	100,000
Sylvanite Gold	.03	15	98,985
Ventures	.10	7	157,395
Wr. Hargreaves	.07½	2	412,500
Total			7,704,953
Oil Companies			
Brit. Amer. Oil	.25q	2	693,160
Canadian Oil, pfd.	2q	2	40,000
McColl-Front., pfd.	1.50q	15	114,186
North Star Oil, p.	.08¾q	2	17,500
Supertest Pete., c. ord.	.50s	2	55,000
Do., (B) pref.	.75s	2	5,880
Total			925,726
Financial			
Bank of Nova Scotia	2.50q	1	300,000
Brit. Mtge. & Tr.	4s	2	40,000
Brockville Trust	.62½q	2	6,250
Can. Perm. Mortgage	2q	2	140,000
Canada Trust	3s	2	30,000
Can. Fire Insur.	2s	2	40,000
Candn. For. Invest., pf.	2q	1	3,990
Can. Gen. Invest.	.15q	15	90,088
Can. Indemnity	3s	1	15,000
Do., extra	1	1	5,000
Central Can. Loan	2q	1	50,000
Chartered Trust	1q	1	10,000
Debent. & Secs., pfd.	2.50s	1	6,357
East. Can. Savings	1.50q	2	11,250
Eastern Trust	2q	1	20,000
Excelsior Life	1.60s	2	8,000
Great West Life	3.75q	1	37,500
Guaranty Trust	1.25q	15	3,750
Guelph & Ont. Invest.	1.25s	2	24,130
Guelph Trust	1.25s	2	7,562
Guar. of N. Amer.	1.50+2.50	15	24,368
Halifax Insurance	.40s	2	80,000
Huron & E. Mtge.	1q	1	50,000
Indust. Mortgage	1s	2	12,700
Imperial Life	3.75q	2	37,500
Invest. Foundation	.75q	15	20,785
Lambton Loan	1s	2	15,795
Landed Banking	1q	1	10,000
Midland Loan	.40s	1	14,400
Monarch Life	6%	2	10,413
Mtl. C. & D. Bank	3q	1	60,000
Do., extra	1	1	20,000
National Trust	2q	2	60,000
Ont. Loan & Deb.	1.25q	2	50,000
Peoples Credit Sec.	.25	15	27,500
Real Estate Loan	1s	2	5,000
Sterling Trusts	1.50s	2	12,060
Sun Life Assur.	3.25q	1	65,000
Tor. Gen. Trusts	1q	2	30,000
Toronto Mortgage	1.25q	1	24,662
Traders Finance, pfd.	1.50q	1	35,855
Trusts & Guarantee	1s	2	12,675
United Bond & Share	.10	15	2,635
Waterloo Trust	2.50s	2	25,000
Western Assur., pfd.	1.20s	2	18,000
Total			1,574,225
Grand total			25,056,464

q-Quarterly. s-Semi-annually. a-Annually. †N. Y. funds. •Net after deducting corporate income tax.

E. M. HILL

The Independent Automobile Insurance Conference announces the election of E. M. Hill, Dominion of Canada General Insurance Co., as Vice-Chairman for Ontario. The annual election of officers held in June resulted in H. E. Wittick, Pilot Insurance Co., being made Secretary and Treasurer for Ontario while the general Chairman for this Dominion-wide automobile insurance group is H. L. Kearns, Shaw & Begg, Limited, Toronto.

CANADIAN PACIFIC RAILWAY COMPANY

To the Holders of Twenty Year 4½% Collateral Trust Gold Bonds due September 1, 1946, of Canadian Pacific Railway Company.

NOTICE OF INTENTION TO REDEEM

NOTICE IS HEREBY GIVEN that Canadian Pacific Railway Company intends to redeem on September 1, 1943, all of the outstanding Bonds of the issue of Twenty Year 4½% Collateral Trust Gold Bonds issued under and secured by a Trust Agreement dated September 1, 1926, between the Company and The National City Bank of New York as Trustee, and maturing September 1, 1946, at the redemption price of one hundred and one-half Per Cent. (100.50%) of the principal amount thereof.

Holders of the Bonds are required to surrender them for redemption at the redemption price above mentioned on September 1, 1943, either at the Agency of the Bank of Montreal, 64 Wall Street, in the Borough of Manhattan, City and State of New York, or at the Office of the Bank of Montreal, either in the City of Montreal, Province of Quebec, or in the City of Toronto, Province of Ontario, at the holder's option.

Interest on the said Bonds shall cease on the specified redemption date, viz.: September 1, 1943.

Coupon Bonds surrendered for redemption must have attached thereto all interest coupons maturing subsequently to September 1, 1943. Fully Registered Bonds or Coupon Bonds which are registered as to principal must be accompanied by duly executed assignments or transfer powers. Coupons due September 1, 1943, should be presented for collection through the usual channels.

DATED at Montreal this 30th day of June, 1943.

CANADIAN PACIFIC RAILWAY COMPANY,
By: F. BRAMLEY,
Secretary.

The Shareholder

International News appears on the point of regaining its significance as a market factor with a new Allied offensive under way in the Pacific, a German drive opening on the central Russian front, and the possibility that a second front may be opened at any time.

The Pacific offensive was marked by a broader market movement in London than in the United States, but this may merely have reflected a greater London financial stake in the Far Eastern struggle. While the ability of the Germans to launch an offensive on the eastern front in the face of a threatened invasion may be bearish immediately, there is a strong possibility the Germans may in reality be playing into the hands of the United Nations.

As the Germans come to grips with the Russians again, opening of a second front may become much simpler. It is noteworthy that German offensives have usually started off in grand style—but how they end up is important from a market standpoint.

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Shareholders and bondholders alike will be interested in the "cheap money" policy laid down by the United Kingdom Chancellor of the Exchequer for the postwar reconstruction period. In his budget speech he declared:

"It is the government's intention to maintain its present policy of cheap money after the war for that purpose (reconstruction and development) as well as in the interests of the Exchequer itself.

Discussing the interest rate situation, the Economist notes a "distinct softness" in gilt-edge securities following announcement of U. K. and U. S. currency proposals. This is seen as a fear that the United Kingdom might have to raise her interest rate if tied to an international currency. The Economist thinks, however, that this danger does not really exist and that low interest rates will not be difficult of attainment after the war. Low interest rates themselves are regarded as desirable from the standpoint of new enterprise.

• • •

Flour milling concerns continue much more active this year than in 1942, DBS statistics indicate. Flour production in May amounted to 2,099,996 bbls. compared with 1,481,449 bbls. in the corresponding month last year. Percentage of output to capacity was 93 compared with 67 for May last year.

Output for the 10 months of the crop year to May 31, 1943 totals 19,749,123 bbls. Despite the high level of current output, flour stocks were lower at the end of May, totalling 926,252 bbls. compared with 1,159,307 bbls. a year previous.

Activity in flour milling — and flour milling securities—may continue on an enlarged scale for some time, it appears.

• • •

Abitibi's 1942 receiver and manager report notes that it has been impossible to finalize the company's charge for excess profits tax as its "standard profits" have not yet been determined by the Board of Referees. Abitibi is one in a long list of companies whose complicated tax problem has yet to be worked out.

Setting of "standard profits" for firms which enter the war in a state of semi-depression is admittedly a difficult business and this is undoubtedly the reason for a lack of celerity in reaching decisions. But the assessing of these basic profits with reasonable speed is nevertheless important from both the standpoint of the government, which needs tax moneys, and of shareholders, who have enough tax worries without trying to evaluate tax treatment their company may receive perhaps years hence.

Shareholders would undoubtedly appreciate a decision by the Board of Referees to publish all decisions on standard profits. This would give the shareholder information on basic profits at the earliest possible time.

B.A. Oil Stresses War Requirements for Oil

As the war preparations of the Allied Nations go forward, the provision of petroleum for civilian needs becomes increasingly subordinated to military needs, it is stated by W. K. Whiteford, president of British American Oil Co., in a report presented with payment of the company's regular quarterly dividend of 25 cents.

The decrease in civilian consumption continues to be felt by the company, the president stated, this being only partially offset by increases in military requirements. The president also expressed the hope that there would be some improvement in the situation presented by a combination of rising costs and taxation and a ceiling on finished products.

Weekly Bank Clearings

	July 1 1943 $	Change year ago %	June 24 1943 $
Halifax	3,418,011	+0.2	3,838,156
Saint John	2,934,154	+18.0	2,644,875
Moncton	1,108,689	—17.6	1,375,196
Sherbrooke	720,502	—31.0	1,027,880
Quebec	4,372,697	—20.0	5,958,437
Montreal	131,636,274	+15.3	155,969,001
Ottawa	49,623,604	+5.7	65,346,188
Kingston	642,044	—1.0	812,214
Peterborough	797,946	+16.5	1,003,492
Toronto	121,931,519	—4.5	168,654,634
Hamilton	6,008,066	+0.08	7,414,801
St. Catharines	1,037,700	—17.7	1,581,857
Kitchener	1,121,328	—6.5	1,476,053
Brantford	914,393	—3.2	1,244,899
London	2,439,203	—12.2	3,334,307
Chatham	550,466	—15.1	784,396
Sarnia	638,113	+70.0	641,814
Windsor	4,348,639	—0.7	4,295,265
Fort William	921,023	—18.6	1,169,181
Winnipeg	56,405,787	—21.9	64,446,848
Brandon	468,341	+8.0	570,625
Regina	5,458,729	+45.4	8,243,643
Moose Jaw	675,234	+9.5	930,844
Saskatoon	1,301,744	+6.7	2,020,449
Prince Albert	464,271	+4.6	577,421
Edmonton	7,020,312	+32.3	8,194,437
Calgary	7,122,300	+8.3	9,271,526
Medicine Hat	317,567	+33.1	527,148
N. W'minster	781,626	—15.8	784,284
Vancouver	22,920,038	—11.3	28,202,836
Victoria	1,634,446	—7.9	2,194,300

Abitibi Shows Stronger Financial Position

Profits Lower But Working Capital Gains After Substantial Payment on Principal and a Million of Taxes — May Sell Kaministiquia

While operating earnings of Abitibi Power & Paper Co., in receivership, showed a decline of approximately $700,000 to $8.4 millions in 1942, the company was able to increase working capital by $2.3 millions to $24.7 millions.

This was achieved after a million dollars of taxes and $4.8 millions of principal repayments on bonds—the latter being well over 50% greater than further interest accruing on bonds during the year.

Higher Price Helps

Receiver G. T. Clarkson reports that with newsprint rationing, it is likely that Abitibi newsprint production and shipments will be less in 1943 than in 1942. Offsetting this, however, is an increase in the price of newsprint in the United States of $4 a ton to $54 effective from March 1, 1943.

As reported elsewhere, Abitibi newsprint production declined in 1942 but output of sulphite and other wood pulps increased, totalling 113,758 tons in 1942 compared with 3,224 tons in 1941. Average prices for both bleached and unbleached sulphite were higher in 1942.

Costs Were Greater

Costs of manufacture and distribution of Abitibi and its wholly-owned subsidiaries increased in 1942 due to higher labor, pulpwood, supplies and transportation costs, and the somewhat lower scale of operations.

Sale of the Espanola newsprint mill to the Kalamazoo Vegetable Parchment Co. for $975,000 will require the writing off of $8,445,000 in 1943, it is stated. Independent engineers had previously advised that they could find no justification for its further operation as a newsprint mill.

Negotiations with the Ontario Hydro-Electric Power Commission to take over the Abitibi Kaministiquia power plant are now being undertaken. This follows an order of the Supreme Court of Ontario that the receiver undertake such negotiations but that any agreement concluded should come before the court for approval. This development is located on the Nipigon River and supplies power to Port Arthur and Fort William.

Reserve Said Adequate

As at Dec. 31, 1942, certain Hearst companies are reported indebted to Abitibi and its wholly-owned subsidiaries to the extent of $1,662,919. Certain securities had been lodged with a corporate trustee as security but the value of such securities is stated impossible to estimate accurately. A reserve of $750,000 set up for this liability in 1938, however, is considered adequate to meet any loss which may be experienced, the receiver declares.

Capital expenditures by Abitibi in 1942 totalled $299,311 bringing such expenditures to $3,346,004 since the receivership was instituted.

By order of the court, Abitibi payments of principal on first mortgage bonds in 1941 and subsequently have been in Canadian funds. It is pointed out that payment of principal and interest in United States funds would mean a substantial increase in bond indebtedness.

New Brunswick Refunds Bonds

$778,000 of Securities Maturing and Called to Be Paid From Surplus

New Brunswick has announced 2.5 millions 3¼% sinking fund debentures to refund maturing and redeemed bond issues. The total of these issues amounts to some $3.3 millions, leaving $778,000 to be paid from accumulated surplus and sinking fund, it was stated by Hon. J. J. Hayes Doone, provincial secretary-treasurer.

The new issue is dated Aug. 2, 1943, and will run for 15 years. Interest is payable Feb. and Aug. 2 and the bonds are redeemable on Aug. 2, 1956 or any interest date thereafter at 100% plus accrued interest. The issue will be in the form of coupon debentures in denominations of $500 and $1,000. An annual sinking fund will be provided to the amount of 1% of the principal amount of the issue.

According to the statement made by the secretary-treasurer in announcing this issue New Brunswick expenditures have run below revenue for the last three years, the surplus for the year ending Oct. 1, 1942 being $1.6 millions. Expenditures of the present year are also running well below revenue.

Insurance Company Report

L. & L. & G.

Increases in all important items are shown by the Liverpool & London & Globe Insurance Co. of Liverpool, England, in its annual report for 1942. In his annual statement, the chairman, P. R. England said the results were all the more creditable in that they covered a year which began with the over-running of the far east where the company's business connections were extensive and losses substantial. In spite of this, he showed, premiums, underwriting profit and assets were all higher.

The fire business in the United Kingdom, he stated, had produced many problems arising from changing hazards in factories, wartime dispersal schemes, staff shortage and frequent revisions in cover. But on the whole he added, good fortune had attended the company and the results are satisfactory.

Important items in the report follow, figures being calculated at $5 equals £1.

	1942 $	1941 $
Total prems.	57,441,090	55,032,030
Underwr. profit	4,747,640	3,753,920
Total assets	187,778,885	180,631,825

Royal Insurance

Increased premiums, underwriting profit and assets are shown in the annual report of the Royal Insurance Co. of Liverpool, England, for 1942. Progress is shown in all departments.

In his annual statement, P. R. England, chairman of the company, said, that market values of the company's investments showed an enhanced margin over book values. Meanwhile interest returns were lower. The claims of government issues dominate all new investments, he declared, and accordingly portfolios are subject to the "constant erosive effect of requisitioning and conversion schemes." The Royal and its associated companies, he stated, now hold over $60 millions British Government war securities, in addition to substantial subscriptions to war issues of the United States, India and the Dominions.

The Royal with its associate, the Liverpool & London & Globe Insurance Co. and affiliated companies, operates in Canada under the management of James Matson, Montreal, at present supervisor of the Dominion Government's war risk insurance scheme.

Important items in the report follow, figures being converted to dollars at £1 equal $5.

	1942 $	1941 $
Total prems.	95,973,000	83,150,000
Underwr. profit	8,810,000	5,955,000
Total assets	339,816,000	326,601,000

G. E. Turnbull is Montreal Manager

George E. Turnbull has been appointed manager of the Union Insurance Society of Canton at Montreal with the title of branch manager. He succeeds J. W. Binnie who recently retired.

Mr. Turnbull has been with the Union of Canton for 20 years. He was in charge of the company's western Canada business for 10 years and had latterly acted as assistant manager at Montreal. Before joining the company he was with the Canadian Fire Underwriters' Association in Toronto.

Market Opinions

Barrons (The Trader): By any conventional yardstick of earning power, prices have outrun values. This is not to say that violent liquidating movement is in the offing, since there is nothing in the credit or in the business structure to liquidate. But when one observes the capitalization of the earning power of the so-called romance companies, notably air transport, electronics and chemicals, the actual peace potentialities of which have yet to be demonstrated, it is apparent that the most liberal appraisal of the favorable factors prevails. The argument most persistently advanced for an indefinite, uninterrupted extension of the upward movement is unbelievably huge sums of idle capital still seeking an outlet. Yet any untoward development from Washington or overseas in the weeks ahead would come as a sober impact upon a market that has lately been showing an ebbing of the vital force of speculative buying power.

• • •

Barron's (Dow Theorist): The stock market trend remains practically unchanged from a week ago. It is possible that the June decline was the first stage in an intermediate reaction which could be expected to retrace from one third to two thirds of the advance since last summer. It is at least equally possible, of course, that rails will shortly follow industrials into new high ground. In view of the proximity of the rail average to its high, there would appear to be little to lose by waiting for confirmation of the upward trend before making new or additional stock purchases at the present time.

B. C. Packers is redeeming all its class A bonds outstanding, which amounted, at Dec. 31, 1942, to $800,000. The two issues involved, bearing interest at 4½ and 5% will be redeemed respectively at 101 and 104 and accrued interest. Payment will be made in Canadian funds.

Silverwood Dairies has declared a dividend of 20 cents a share on its common stock payable Oct. 1, 1943. The payment is to be made along with the regular semi-annual payment of 20 cents a share on preferred stock.

Monthly Bank Clearings

	June 1942 $	June 1943 $
Halifax	17,321,478	18,756,048
Saint John	11,195,324	12,361,865
Moncton	5,073,369	5,517,348
Sherbrooke	4,746,023	4,684,831
Quebec	24,237,351	25,525,776
Montreal	517,050,016	659,721,656
Ottawa	211,907,971	343,573,763
Kingston	3,417,113	3,669,584
Peterborough	3,860,424	4,343,662
Toronto	620,125,010	658,643,550
Hamilton	31,141,129	30,634,693
St. Catharines	6,056,775	7,289,734
Kitchener	5,710,419	6,087,469
Brantford	4,993,166	5,113,612
London	13,990,933	14,800,436
Chatham	2,987,365	2,927,683
Windsor	18,811,953	19,374,332
Fort William	5,118,454	4,751,806
Winnipeg	240,611,978	314,292,592
Brandon	2,105,310	2,442,207
Regina	20,706,761	31,564,510
Moose Jaw	2,984,620	3,952,208
Saskatoon	7,038,362	9,157,377
Prince Albert	2,257,500	2,627,404
Edmonton	25,005,040	35,365,707
Calgary	29,541,389	36,809,409
Medicine Hat	1,269,437	1,947,554
New Westminster	4,086,497	3,506,730
Vancouver	108,257,270	122,448,053
Victoria	8,829,138	9,288,401

REAL ESTATE
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- Valuations
- Mortgages

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Inter. Utilities Has New Plan

Class "A" Stocks Will Have Increased Share in New Company

A new plan of reorganization, led by the International Utilities Corp. with the S.E.C. increases the proportion of shares of the new company to be held by owners of the present class A stock. Participation of $1.75 preferred and class A shareholders is to be nearly equal in the new company.

The plan, which provides for a merger with Dominion Gas & Electric, is presented to comply with an order for termination or dissolution issued by the SEC. Under the plan the capital structure of the new company will be as follows:

Pref. $3.50, $50 par	$4,797,300
Common, par $20	$5,250,819
Capital surplus	$1,814,268

Holders of present International Utilities stock would receive one new preferred share for each share of $3.50 prior preferred stock now held. The new stock is said to be substantially the same, in its provisions, as the old.

Holders of present $1.75 preferred stock would receive 1 1/10 shares of new common stock for each old share and in satisfaction of dividend arrears.

Class A shareholders would receive 1 4/10 shares of new common stock for each old share and in satisfaction of dividend arrears.

Class B shareholder would receive 1/100 new common shares for each old share.

The first plan of reorganization submitted met with opposition from both A and B shareholders, some Canadian holders of these stocks forming committees to oppose the plan. Under it holders of $1.75 preferred stock would receive 2.6 shares of new common for each old share and in satisfaction of arrears all but $2. Class A stock was to be exchanged on a share for share basis, and class B provisions were the same as in the new plan. The proposed issue of common stock under both plans was approximately the same. Under the new plan class A shareholders would hold about 12,400 shares of new common stock.

Stock of Dominion Gas & Electric, all of which is held by International Utilities, will be cancelled. Bonds and other debts held by them will also be cancelled, and bonds held by the public acquired or redeemed. An extension to Dec. 31, 1943, has been granted by SEC in order that this may be done.

Woodpulp Stocks Again Show Decline in U. S.

Stocks of purchased wood pulp in the United States as reported to the American Paper & Pulp Ass'n. continued to decrease as of June 1, 1943, but at a slightly lower rate than in recent months. Total stocks reported on that date at the paper mills amounted to 169,428 tons, a decrease of 7,104 tons from the May 1 figure and a total decrease since Jan. 1 of 62,331 tons.

CANADIAN GOVERNMENT BONDS

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A service appreciated by our clients is the care and personal attention which we give to odd lots and small orders.

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MEMBERS: THE TORONTO STOCK EXCHANGE
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SUCCESSOR IN TORONTO TO SEAGRAM, HARRIS & BRICKER

CANADIAN MUNICIPAL AND CORPORATION SECURITIES

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Business Established 1897
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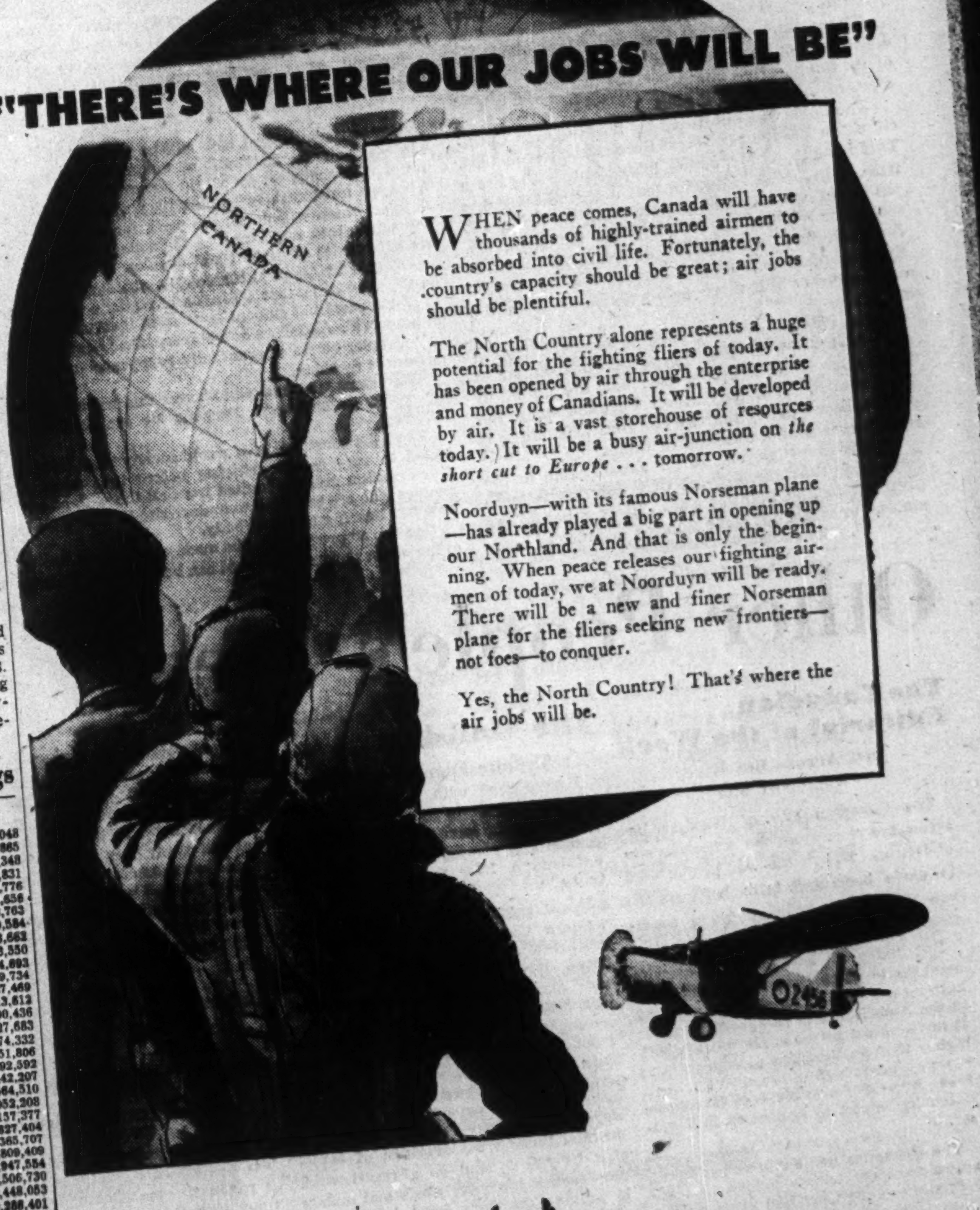


"THERE'S WHERE OUR JOBS WILL BE"
NORTHERN CANADA
O2456

WHEN peace comes, Canada will have thousands of highly-trained airmen to be absorbed into civil life. Fortunately, the country's capacity should be great; air jobs should be plentiful.

The North Country alone represents a huge potential for the fighting fliers of today. It has been opened by air through the enterprise and money of Canadians. It will be developed by air. It is a vast storehouse of resources today. It will be a busy air-junction on *the short cut to Europe . . .* tomorrow.

Noorduyn—with its famous Norseman plane —has already played a big part in opening up our Northland. And that is only the beginning. When peace releases our fighting airmen of today, we at Noorduyn will be ready. There will be a new and finer Norseman plane for the fliers seeking new frontiers—not foes—to conquer.

Yes, the North Country! That's where the air jobs will be.

NOORDUYN AVIATION
LIMITED
MONTREAL

Maker of the "Norseman," only Canadian-designed plane in production

The Editorial Page . .

Main Issue Ignored

So far, the issues in the Ontario provincial election have not been paraded by their respective party sponsors. From the Progressive-Conservatives, who should logically take the offensive, has come an attack on Speaker Clark's remarks in Detroit, a criticism of the proxy plan for obtaining the overseas vote, and a general undertone of criticism that Ontario should be holding an election at all.

These may be valid criticisms, but they are hardly the stuff of which great elections are made, and it is far from certain that a milk-and-water election campaign would put another party into power in Ontario.

The government that Ontario elects in August will likely be the government that will deal with Ontario's postwar rehabilitation and readjustment. The real issue in the election therefore should be between the postwar platforms of the contending parties.

Unless that issue is made abundantly clear, there is grave danger that the Ontario election will be fought on what, by comparison, are trivialities. It would be a travesty to entrust the intricate problems of postwar adjustment to a government that has been elected for its stand on the best method of obtaining the soldier vote.

Our New Highways

There will be no rush of tourists for the virgin scenery of our just completed Trans-Canada highway until after the war. The road is open now that grading of the 150-mile stretch between Hearst and Geraldton, northeast of Fort William, has been finished, but there will be no celebration. None but essential traffic is welcome.

From a dollars and cents point of view Canada did not need this new road, could probably have got along without it for many years to come.

But judged from that angle alone, few nation-building developments would ever have been undertaken; most would have been delayed until long after there was very real need for them.

Up till the present, Canada-crossing motorists have been forced to detour through the United States, a fact always disturbing to our national pride. Now, when Canadians again start using trans-continental American highways after the war, they will be able to offer similar facilities in this country to their American hosts—and our highway affords some spectacularly fine scenery for tourists.

The Trans-Canada Highway was delayed by the war and had it not been almost finished when hostilities commenced, its completion would have had to await the peace. Now finished, it, along with the Alaska Highway, will serve as a potent attraction in rebuilding our important tourist industry after the war.

Behind the CCF

Impatient with generalities, Editor George W. James of the Canadian Statesman decided to do some personal research and find out in black and white the kind of utopia the CCF party is offering the Canadian voter. The results of his investigation are set forth in a series of seven articles just concluded in the Statesman.

Like a well-known and, for a time, highly successful political creed in western Europe, Mr. James found that the CCF also has a book, "Social Planning for Canada" in which its aspirations and plan of strategy are set forth.

Though the book has been out a long time, Mr. James performs a useful service in digging it out of its comparative obscurity and reminding Canadians of the basic CCF plan.

The book was published by the Research Council of the League for Social Reconstruction in 1935. This League, as Mr. James points out, is the brain trust of the CCF. Later in 1938 a second book was published which, though professing to bring the socialistic outline up to date, was in effect, Mr. James declares, an attempt "to soft pedal some of the bluntness and unguardedness and to smooth over some of the more naive declarations in the earlier work."

Free enterprise, warns Editor James, suffers a good deal "from the fact that it has not troubled to familiarize itself with the case and the policy of the socialist. It is only when we understand the other fellow's policy that we can find what there is in it that is sound, unsound or unhealthy."

In his investigation, Editor James came to the conclusion that much of the CCF doctrine is mere propaganda and nothing else. "It is a habit," he states, "to single out some isolated instance of business malpractice and to misrepresent it as characteristic of the hated "Capitalism" as a whole. Practically the whole of business rises up in wrath against the very same thing that the socialists single out. Business steadily moves forward ethically to the elimination of the business pirate, but the socialists carefully do not say so."

Editor James reaches the conclusion that the real objects of the CCF, if it got into power, would be achieved by indirect more than by direct means.

For instance: In taking over industry, the plan calls for compensation for former owners, followed promptly by confiscatory taxation. The CCF bible states:

> "If the private owners of industry are compensated in full (which may be tactically necessary) and allowed to retain most of their compensation, the last state of the community may be worse than the first. Unless the bulk of the compensation is promptly taken back from the rich former owners by drastic income and inheritance taxes, the 'public-owned' industries would still be run on capitalist principles."
>
> "The function of taxation will be to recover from wealthy former owners all their compensation except the modest sum necessary to give them reasonable economic security and moderate inducement to refrain from sabotage."

The plan calls for starting off with the socialization of banks, insurance companies and all investment business. From there they would move on to all business, root and branch. "There is no half-way house between capitalism and the Co-operative Commonwealth," the CCF "Mein Kampf" declares.

All internal and external trade is to be government-managed by commissions. Every business is to be regulated by government which would also do the planning.

Socialization of the land, as Mr. James interprets the scheme, would involve no wholesale expropriation of present owners, but "no more land would be handed over to private owners in the future." Without free buying and selling of farms, it is obvious where they would bring Canadian agriculture in a short time.

The scheme provides for complete control of the press, radio, telephone and telegraph. Government control of what news and views might be given the public, what could be said and what not said, would be as tight as in enslaved Europe.

"By enforced publicity" is the phrase the book uses to describe proposed propaganda methods to which the periodicals and radio would be enforced to submit.

The CCF plan calls for prohibition of advertising, without which the press could not survive. For good measure, a government bureau would control and dole out to the obedient members of the press the paper on which to print.

Editor James' series will not be popular with the CCF because its leaders have been notably vague on their basic beliefs in recent years. This reminder of their aims and their program is useful.

The Story of Life Insurance

Between these two facts there is a close and indivisible relationship:

The life insurance business in Canada is universally accepted as an indispensable institution, serving the nation's best social, spiritual, and economic interests.

For 23 years the Canadian Life Insurance Officers Association has carried on nationwide institutional advertising.

That advertising has been designed simply to tell the public about the life insurance business. The recent unanimous vote to continue this educational work is evidence that results continue to be abundantly satisfactory.

Wider understanding of the principles of life insurance, what it does for the individual, what it does for society, as a whole, has shown marked progress during the period of this work. And in the same time, life insurance in force in Canada has increased from less than $2.2 billions to almost $8 billions at the end of 1942.

Dominant theme of last year's advertising stressed the co-operative and democratic nature of life insurance; showed how life insurance ownership helped in Canada's wartime financial problems. Since the war began, life insurance policyholders through their companies have invested $600 millions in war loans and each working day $500,000 is paid to dependents of Canadians in the fighting forces at home and abroad.

National Forestry Policy

The Canadian Forestry Association does well to call the attention of the general public to the necessity of a definite and long range policy in dealing with Canada's forests. This asset, the Association points out, is not inexhaustible. It is constantly threatened with fire, insects and disease, as well as improper handling by man. Preservation is of paramount importance as upon our forests depend several major industries, employing hundreds of thousands of men, and supplying some of our chief exports.

With 90% of our forest lands owned by the Dominion and Provincial Governments, the Association would have these two interests get together, work out and finance a general long term policy. This would feature protection, reforestation, research, market developments, and a "sustained flow of educational material to keep a co-operative public fully informed." It also suggests the inauguration of a Forest Congress as soon as possible after the end of hostilities.

With such a programme, most thinking citizens will agree, though many of them would not wait until after the war to start putting it into action. Forest conservation and expansion is a national task that lends itself peculiarly to the rehabilitation of the returned service man. If maximum results are to be obtained, however, then it is important that the ground work be laid now so that there will be no lag after demobilization.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Keeping the Peace Won

Dr. George N. Shuster, president, Hunter College, New York, recently delivered an address entitled "The Challenge of the Future World" before the annual meeting of the Association of Junior Leagues of America. Excerpts from that address dealing with development of a postwar organization and world opinion appear below.

• • •

Our most important task will be to develop everywhere a desire for international solidarity—a solidarity out of which support for world government can grow. What we must seek to begin with is not a League of Nations which will do all the work for us, but rather naturally given opportunities for collaboration across the boundaries of nations and peoples. If we learn to collaborate with and to respect one another, there will be so many of us that a League of Nations with teeth in it will seem the most natural, most inevitable, thing in the world. And if we do not learn, the League will—in whatever shape it eventually reappears—remain a powerless machine.

What steps can be taken to insure this organic desire for world government? Perhaps we can answer as follows:

First, the constitution of world society must be subjected to very severe criticism before it is adopted. This criticism must be invited from all the nations and peoples who are expected to underwrite it. There must be a fair hearing for everybody.

Second, no progress can be made unless the stability of the major powers interested can be assumed. Unless, for example, the foreign policy of the United States reacquires its older quality of firmness, the very existence of any international constitution will remain continuously in doubt.

Third, the groups, movements and interests which are subsidiary to the broad declaration of national and international policy must endeavor to establish solidarity.

It is clear that the structure of the League of Nations was based upon an idea and a concept of organization having considerable grandeur. But there were flaws which could have been discussed profitably, if the atmosphere surrounding the discussion had been less tense. Had President Wilson been less obstinate and Senator Lodge less obstructionist, a compromise might perhaps have been reached which would have permitted the United States to commit itself to action transcending party cleavages. Today the situation is, perhaps, a little different. There is danger lest an attempt on the part of the major victorious powers to impose a solution on the smaller states may lead these in turn to resent the proposed solution and therefore to band together against it.

The many groups, movements and interests which cannot help being internationally minded must for their own sakes, if for no other reason, set out resolutely to foster international solidarity. The schools, the churches, the labor movements, the professional associations, the scientific bodies, the fraternal organizations, are now all in the same boat. None of them can survive another onslaught of totalitarianism.

Other People's Views . . . .

The Canadian Editorial of the Week

Just Across the River

Vancouver Sun

The Canadian city of Windsor lies across the river from the American city of Detroit. Before the war people used to move back and forth between the two every day and they found conditions of life very similar in both.

But today if a Windsor housewife manages to go to Detroit she finds that butter costs from 50 to 60 cents a pound in the American city as against 38 cents at home. Meat prices in Detroit are 50% higher than in Windsor, milk from 3 to 6 cents a quart higher, bread 50% higher. Even American oranges cost 65 cents a dozen in Detroit as against 55 in Windsor.

The Canadian housewife comes home across the river with a sudden new appreciation of the Canadian price ceiling. It would be a good thing if every housewife in Canada could go across the border for just one day and see what is happening there. There would be few complaints against the price ceiling policy which, for all its mistakes, has been the most successful economic experiment ever tried in Canada. Its success can best be judged by what is happening elsewhere.

The Mail-box . . .

Tribute From Maritimes

I have read with much interest the special report on the Maritime Provinces in your issue of June 19, but was particularly pleased with your editorial entitled "A New Spirit In The Maritimes."

For a great many years central and western Canada have developed and prospered at the expense of the Maritimes. For example, take the tremendous expenditures on transportation, such as duplication of railways and the construction of canals, at an enormous expense, but operated without toll. Then with concentration of industry and the combined efforts put forth by government departments and railways to populate the west, it meant that the Maritimes were deprived of equitable treatment, and as a result were side-tracked for many years and unable to provide for their fiscal needs, on a parity with the other provinces. As a result their native population was lured away to the more prosperous centres. While the Dominion shows an increase of 200% in population since Confederation, the Maritimes show only an increase of approximately 35%, and Prince Edward Island actually a decrease.

It will be very gratifying to Maritimers to know that central Canada is now waking up to the possibilities in these provinces, and that with fair and equitable treatment they will be able to develop their resources and give their young people a chance to progress and prosper here, as well as in other parts of this great Dominion.

As a subscriber to your paper for many years, I wish to extend my thanks and appreciation for the recognition and prominence given to the Maritimes in the report and editorial above referred to.

J. O. HYNDMAN.

Charlottetown, P.E.I.

As Others See Us . .

No Rhyme or Reason

Trail Times

That some action to change the system of granting commissions to air crew is required has been evident for some time. Air Minister Power has said on numerous occasions that a change should be made. This change has not yet been made. The Financial Post points out that the present system is a threat to morale in the RCAF.

"There seems to be no rhyme or reason for the present methods of distributing commissions in the air force. Some air crews are commissioned on graduation from their preliminary training in Canada, some are not. Some fly for a year over Germany and still remain sergeants, some get their commissions in a few months. In many cases the sergeant pilot in charge of the machine on the main part of the flight has a pilot officer serving as navigator, bomber or gunner.

"The present system, or really lack of system, just doesn't make sense. It is a threat to the morale of one of the finest fighting forces ever created."

Demobilization

Wetaskiwin Times

The Financial Post has made a good point in a recent editorial when it says that the demobilization problem in our postwar world will not be exclusively that of the armed forces. Our Dominion civil service employees have increased threefold since the beginning of hostilities and in Ottawa alone it is claimed that in addition to the 8,000 normally employed, there are now 20,000 temporary civil servants. Rationing, price control and the hundreds of other minor departments use a veritable army of help, and, unless our present regimentation is to continue after the war, these people will have to be absorbed in ordinary peacetime occupations.

The administration difficulties that are being experienced at Ottawa today are nothing to what they will have during the postwar reconstruction period. It is no wonder that they are making plans for the future reconstruction period, but it is doubtful if the political party in power at the end of the war will survive the following election.

Sayings of the Week

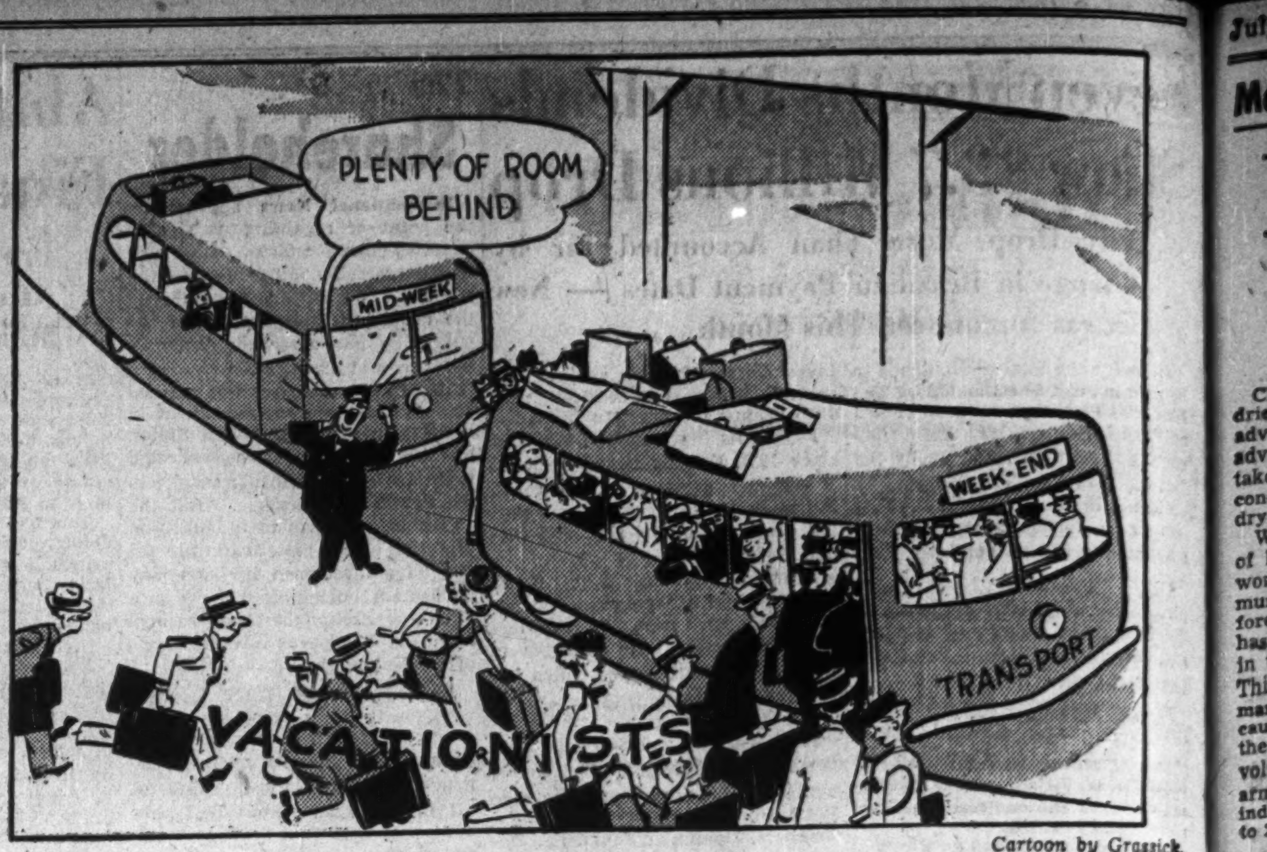
"The first essential today is to win the war and it cannot be won without soldiers."—*T. L. Church, M.P.*

"We do not need to be ashamed of the way we have handled the agricultural phase of our manpower problem."—*Hon. Humphrey Mitchell.*

"Perhaps too many people are now planning rabbit stew before we have caught the rabbit."—*James B. Conant, president of Harvard University discussing postwar problems.*

"We have a war to win, a peace to make enduring and a world to make livable for the common man—the most interesting period of all history in which to live."—*Hon. John Bracken.*

"On the merits, no one can deny that it would be reasonable for the Canadian nation to signify its national status by a distinctive national flag and a distinctive national anthem." — *Hon. L. S. St. Laurent, Minister of Justice.*



A GOOD SUGGESTION

Cartoon by Grassick

Post-Scripts . . . . .

Railway Planner

After Munich the British Commonwealth of Nations did a little quiet stocktaking to find out how well they were prepared in the event of war. One task undertaken was to find out how much traffic the Canadian National Railways could carry under wartime conditions. Following an intensive study the weaknesses and strengths of the system were thoroughly explored. A report was made and filed away for "the day." Then in September, 1939, this report was taken out and within one week plans completed and work started on a program which was to enable the CNR to handle smoothly and efficiently a volume of traffic far beyond anything envisioned in peacetime.

MR. FAIRWEATHER

The man responsible for this survey was Starr Whitney Fairweather, whose abilities have now been recognized by his appointment as vice-president in charge of the System's Research and Development. The appointment is not only a tribute to the man himself, but recognition of the important place which research holds in the planning of any well-run business.

One of the outstanding railway economists on the continent, Starr Fairweather has built for himself an international reputation. He has been a perennial witness before House committees; has spoken to boards of trade and other service bodies in every part of the Dominion. And in many respects he has occupied a unique position in CNR affairs.

Born in the little New Brunswick town of Apohaqui of United Empire Loyalist stock, Fairweather is more of a Bluenose than a Herring-choker. At an early age the family moved to Digby. Then when he was 13, his father died and the home was moved to Wolfville. In time he entered Acadia University, which dominates the life of this small Valley town. Among his classmates was a tow-headed, serious-minded lad named Lorimer Ilsley who is now known to several million Canadian taxpayers as the Minister of Finance. From Acadia, he went to McGill University, where he graduated as a gold medallist in engineering. It took Starr Fairweather seven years to go through university; two years at Acadia, then three years working for the CPR to earn enough money to pay his way through the last two years at McGill.

After graduating in 1916 Fairweather entered the Department of Railways and Canals as assistant engineer on the car ferry terminals at Prince Edward Island. He was later employed in the same capacity on the Quebec Bridge. Afterward he was transferred to Ottawa where he was attached to the consulting engineer for the Dominion Government. In 1919, he joined the staff of the Grand Trunk Arbitration on the Government side.

In 1923 Fairweather joined the Bureau of Economics of the Canadian National as assistant to the director. Seven years later he was appointed director and in 1939 became chief of research and development.

Today at the age of about 50, his alert and analytical mind is working on the problems which face the CNR in the after-war period. His friends say that he will probably find the answer in the slide-rule which is ever beside him.

• • •

Production Pusher

The youthful, newly-appointed special assistant to the co-ordinator of production of the Department of Munitions and Supplies is Crawford Gordon, Jr., grey-suited, medium height, his hair already thinning at 29, he typifies the Canadian young man who has assumed heavy duties for the duration. His present task is a highly responsible one. As aid to H. J. Carmichael he will be supervisor of production for the Toronto, Winnipeg and Vancouver divisions.

MR. GORDON

Quiet-spoken, reserved, Gordon is very reticent about himself. He limits the story of his career to the barest outline. He was born in Winnipeg and early moved with his family to Toronto where he attended Appleby School in nearby Oakville. He entered McGill University—from which he graduated in 1936—in the Commerce and Finance Course. He admitted to playing some football while in college.

Leaving McGill he joined the Canadian General Electric Company. There he started off in the accounting department, shifting into the audit division when he was transferred to Schenectady. N.Y. After a short period there he joined the company in Montreal before taking up his present residence in Toronto.

On loan to the Dominion Government for the duration, Gordon took his first fling in governmental work by assuming the director-generalship of Organization and Personnel of the Department of Munitions and Supply. From there it was a short step to the office of assistant to the co-ordinator of production.

Now that golf is more or less out for the duration, Gordon relies for relaxation on dime mystery thrillers or his two young children, the elder of whom, Crawford III already is undertaking to correct his father's French accent.

The boy attended the Joan of Arc Institute nursery school while the Gordons were in Ottawa. There the tiny tots start to talk French at an early age. So the young man feels he is qualified to tell his father a thing or two, even though the latter spent several summers on the continent and speaks French himself.

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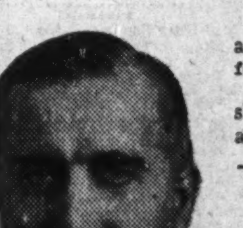
Agency Chairman

Few men are better known to life insurance agency and company officials on both sides of the Atlantic than Roland G. McDonald, recently elected chairman of the Agency Section of the Canadian Life Insurance Officers Association.

A member of the agency department of the Canada Life for 30 years, and superintendent since 1930, he has been an active figure in life insurance organizations in Canada, the United States and the British Isles.



MR. McDONALD

He was chairman of the Canadian Life Agency Officers Association before it merged with the Canadian Life Insurance Officers Association. He is also a member of the Joint Committee composed of representatives of the Canadian Life Insurance Officers section, Life Agency Officers section, and the Life Underwriters Association of Canada.

Born in Chatham, Ont., he has inherited from the Scots a number of characteristics of that race in addition to his name.

He enjoys a game of golf but has not found much time for it in recent years. He is also a curler. Although he does not brag too much of his ability in this line, he can be found as often as circumstances permit, capped with his favorite Balmoral "sooping her up" at the Granite Club, in his home city Toronto. He is also fond of bass fishing.

One of his outstanding inherited characteristics, however, is his dependability in whatever he undertakes. Men who have worked with him say he has good judgment and that he brings his best ability to bear on any problems with which he may be confronted. Accordingly, his considered opinion is highly valued. He is an active member of the Boy Scouts Association for Toronto district and has assisted in the financial campaigns of the Association.

• • •

What The Papers Are Saying . . . .

Should We Admit Chinese?

Vancouver Sun

Before Congress now is a bill of general interest to Canada and of special interest to British Columbia. Briefly, it would repeal the present barrier against all Asiatic immigration and thus enable Chinese to enter the United States on the same basis as other foreigners.

Since the friendship of China is vital to the United States in the war and vital also to the establishment of a workable peace in the world, the repeal of the exclusion law receives strong support. The New York Times, in backing it, points out that under the American immigration quota system *only* about 100 Chinese a year could enter the United States if the bill passed. Chinese would simply be placed on a quota basis like the people of other nations but the present insult to their race would be removed.

If the United States accepts this policy and repeals the exclusion law, Canada will have to face the same issue, for we were in the absurd position before the war of admitting Japanese but barring Chinese. While the nation certainly will not admit more Japanese, we may feel that our larger interests as a Pacific power require us to admit a token number of Chinese. The number, in proportion to those admitted by our more numerous American neighbors, would be small, but, as a symbol, very important.

Pant Cuffs

Winnipeg Tribune

According to word from Ottawa, Americans are to be allowed cuffs on the trousers of their new suits. Enquiries disclose that the Canadian government has no intention of relaxing its restrictions.

A case in favor of the ruling can doubtless be made, viz.: Due to the shortage of metal to make ash trays, visitors in strange homes find themselves without any place to deposit their cigarette ashes. In the past pants cuffs have been found invaluable for this purpose.

Or, alternately, victory gardeners report that their pants cuffs bring home very necessary top soil for their gardens. Others object to cuffless pants on the ground that they may be mistaken for senior members of parliament.

• • •

Stop Me If . . .

One of the questions asked in an examination on stock-raising was, "Name four different kinds of sheep."

An inspired youth answered: "Black sheep, white sheep, Mary's little lamb and the hydraulic ram."

The Financial Post

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Manpower Shortages

Business Higher, Staff Lower

Launderers and Dry Cleaners Seek Remedy

Cleaning establishments and laundries, which a few months ago were advertising for business, are now advertising for help and refusing to take on new customers. That's how conditions in the cleaning and laundry business have changed.

While the main reason is shortage of help because of many men and women going to higher paid jobs in munitions plants or into the armed forces, company executives say there has also been a tremendous increase in the volume of work to be done. This is due to higher incomes of many and scarcity of domestic help causing less laundry to be done in the homes, as well as a tremendous volume of service required for the armed forces. Estimates indicate the industry may be handling from 20 to 25% more business.

In Larger Plants

The situation appears to be more serious among plants where the work is done by power machinery than where it is mainly done by hand. In the former case, staffs are smaller and there is a closer feeling between employer and employee with a smaller turnover of help.

In large plants the places of employees leaving have been filled to some extent by children and elderly persons who normally would be past their years of work.

Executives, contacted by The Financial Post, said there was no shortage of equipment in the larger establishments, only of help.

Asked if there was any prospect of rationing the number of articles that would be accepted from customers, as reported in New York, executives stated that stage had not been reached here yet, but might be if there was no relief. None of these firms, however, are willing to take on new customers.

Services Cut

Most common result of the labor shortage is the cutting of service. The old days of 24-hour service are gone for the duration. The staff required to get the work through so quickly is simply not available.

One firm said it had extended the time required for laundry from three to six days and then to seven days or longer. Some firms now refuse to accept furniture, rugs, lamp shades, gloves for cleaning.

Moreover calls and deliveries cannot be made with anything like the old frequency. The government regulations prevent a laundry or cleaning establishment visiting a district to pick up work or make deliveries more than once a day. But shortage of help has caused many firms to go beyond this.

In some cases shortage of cleaning fluid has been reported as a handicap. But this was not general. The shortage where it occurred was attributed to manufacturers not being able to supply demand rather than to any government restrictions.

Companies which do considerable work for industrial firms, restaurants, beauty parlors or barbershops, are now trying to persuade their customers not to have coats and dresses laundered as frequently as before. Waitresses' dresses, previously changed daily, now have to do two or three days or maybe for a week. Hotels and railroads are not supplying the liberal quantity of towels they used to. Where roomers in hotels remain over more than one night, sheets are not being changed until a new occupant moves in.

Laundry and cleaning for the armed forces was said to be one of the heaviest pieces of work as the volume of articles supplied was large, and quick service was usually wanted.

Hospitals also are a serious problem as they have to have plenty of clean linen.

The situation as regards the essential or non-essential nature of the work is not clear. It is understood Ottawa mentioned laundry workers as not being included in the non-essential industries. But local executives stated actual operations did not take this into consideration. Because cleanliness is so essential to national health, some claim laundry workers will have to be declared definitely essential.

An executive of one plant stated to The Financial Post that he had found the labor situation much easier recently, owing to closing down of some war plants. But the general opinion was that it was "terrible."

Laundry and cleaning establishments with storage facilities report their problem also to be aggravated by the demand for storage space. Men and women in the armed forces, going overseas, want to store their belongings for the duration. Those staying at home are taking better care of garments, fearing a greater scarcity. Storage space is thus at a premium.

Paying the Firm's Income Tax

Government Attitude on Refunds Claimed Unfair

When business firms have to start payment of income and excess profits taxes six months before the end of their fiscal year, the most accurate possible estimate of inoome is required.

If estimates are too high, too much tax will be paid in the first few months making extensive adjustments and possibly refunds necessary later on. If estimates are too low, heavy arrears may be piled up.

When refunds are necessary considerable hardship may be caused by tardiness of the Government. One taxpayer, whose letter is published in part below, states he made a claim for refund two years ago, but so far has not even received an acknowledgment.

Government Demands Action

On the other hand the government demands immediate action by the taxpayer. The income tax act itself and the income tax forms contain many threats of penalties if the taxpayer is slow in making returns or paying what he owes.

Income tax officials asked about the delay in getting refunds stated that the taxpayer has a remedy in his own hands in that he can withhold other payments due to offset the amount of refund required. But taxpayers claim this system does not work out so well, as they might, in the long run, have to pay penalties for money not paid in. Quicker action in regard to refunds is the remedy sought.

Suppose a firm starts its fiscal year Jan. 1, 1943. It is expected to begin paying taxes on 1943 income in July and pay monthly installments until June next year. Accordingly before making its first payment, it estimates its income for the whole of 1943 on the T7B remittance form. It can either do this arbitrarily or base its tax estimate on actual income for the last previous year. The tax is then estimated and for each of the next 11 months one twelfth of the amount paid. In the twelfth month, June, 1944, when 1943 income is definitely known, any necessary adjustments can be made.

If its income is definitely known earlier, it can start making its adjustments then by calculating the exact tax, deducting the amounts already paid by monthly installments and spreading the balance due over the remaining months.

Six Months Arrears

As a business firm starts paying its taxes six months after the start of the fiscal year it is six months in arrears when its fiscal year ends and thus is only on a semi-pay-as-you-go basis.

Care should be taken to estimate the taxes due on the whole year's income, not on a part of the year's income. Otherwise adjustments may be heavy.

A Case in Point

An example of the trouble that may be found this way is indicated in a letter received by The Financial Post. This subscriber, president of a company in the garage business, evidently overpaid heavily in the first part of the year. He writes the Inspector of Income Tax in part as follows:

"My attention has been drawn to the fact that this company during May made a payment of $1,800 on account of a hypothetical profit to be made during the current year.

"It is perfectly possible for us to make profits for eight months of any year and then, due to causes over which we have no control, to finish the year with a substantial net loss.

"To assume for any firm and particularly for one engaged in an automotive business that it will make a profit (let alone excess profit) in 1943 is nonsense. That being so, why should we pay in advance on profits which may never materialize? What assurance have we that, if there is a net loss, our money will be refunded? Are you aware of the fact that we made a claim on your department for the refund of Excess Profits Tax paid a couple of years ago and have so far not even had our claim acknowledged?

"It seems to me, it would be much better for us to make no advance payments at all, and to pay such penalties as such a course might incur. Such penalties would be nothing more than insurance against the eventuality of our paying taxes on non-existent profits.

"If I have misunderstood this matter I would be glad to be enlightened . . . I ask you whether a business making (say) $5,000 profit in the summer months and losing $2,000 during the off-season pays taxes on $5,000 or $3,000."

Should Revise Estimate

Tax experts consulted on this situation stated that evidently the recourse for this firm was to revise its estimates of its earnings for the current year and make adjustments in subsequent payments.

Regarding the refund of overpayments, one authority pointed out that the Income War Tax Act definitely makes provision for refunds of overpayment although, owing to the number of returns being handled, some delay might be experienced in getting refunds through.

Ask Interest on Refunds

Taxpayers feel that delays of two years are unreasonable and that in such cases interest should be paid on the money due the taxpayer just as the government charges interest on money owing to it.

In the case of the company making $5,000 in the summer and losing $2,000 in the off season, it was stated it would pay taxes on the $3,000 only.

Where a firm underestimates its income, there is no actual penalty imposed, it is understood, unless the discrepancy is considerable. In that case interest of 5% is charged on the balance due after the first six months' payments have been made.

Need of Close Figuring

Tax experts state this case illustrates the desirability of paying taxes on a close estimate of the year's income, taking all probable conditions into consideration.

Accordingly some firms make a practice of estimating income a little low preferring to make extra payments after the close of the fiscal year rather than to estimate income too high which might result in it being necessary to apply for a refund later on.

The Week in Business

	June	May	Apr.	Mar.	Year Ago
Financial Post Production Index	....	259.2	257.3	252.4	208.0
National income D.B.S. (c)	....	...	‡736	‡725	....
Dom. war expend. (million $)	....	272.2	136.9	....	207.6
Dom. total revenue (do.)	....	205.1	177.8	....	334.0
Dom. total expend. (do.)	....	325.0	169.5	....	389.5
•Dept. store sales index no.	....	139.0	153.4	164.3	140.1
Retail sales index no.	....	....	163.1	167.7	155.5
Wholesale sales index no.	....	....	163.0	173.6	154.5
•Country store (% change pr. yr.)	....	+13.8	+14.5	+13.0	+11.7
Divd. payment index♦	123.5	122.7	122.0	122.1	121.8
Bank deposits (1935-39=100)	....	171.0	163.0	151.7	167.6
Cash and cheque pay. index	....	215.7	162.3	161.9	147.8
Bank debits (1935-39=100)	....	183.0	156.6	158.7	127.9
Money supply (c)	....	4,727	4,536	4,244	3,801
NEWSPRINT % OF CAPACITY—					
Production ratio	....	68.6	62.0	64.2	68.0
Shipment ratio	....	69.6	65.9	64.6	72.0
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	190.8	201.6	202.3	182.3
Cars (D.B.S. index)	....	142.5	144.1	143.7	142.3
COST OF LIVING—					
•D.B.S. index	118.5	118.1	117.6	117.2	116.7
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	180.5	181.5	165.2
Manufacturing	....	....	224.1	223.4	199.4
Payrolls (June 1/41=100) (b)	....	....	144.1	143.2	121.4
Payroll index (a) (1937=100)	....	....	....	228	191

RAILWAYS—	1943	1942	1943 Jan 1 to date	1942	Change %
•Carloadings (week June 26)	67,734	67,336	1,632,014	1,639,199	—0.4
•C.P.R. gross (week June 30)	$ 8,270,000	7,076,000	136,231,000	121,033,000	+12.5
C.N.R. gross rev. (May)	$ 37,073,000	29,687,000	171,224,000	137,626,000	+24.5
C.N.R. net rev. (May)	$ 8,753,000	7,770,000	35,567,000	30,073,000	+18.3
C.P.R. gross rev. (May)	$ 24,205,061	21,522,075	111,533,314	99,788,426	+11.7
C.P.R. net rev. (May)	$ 4,313,413	4,233,560	16,781,725	17,773,718	—5.6
IRON AND STEEL—(May)—					
•Pig iron production (tons)	154,746	171,386	719,900	806,039	—10.6
•Steel production (tons)	271,737	272,247	1,259,652	1,305,075	—3.4
CONSTRUCTION—					
•Contracts awarded (June)	$ 20,478,700	46,756,200	102,126,800	134,947,200	—24.3
•Building permits (May)	$ 7,891,858	9,253,740	26,412,726	38,366,458	—31.2
Cement prod., bbls. (Apr.)	459,575	619,907	1,468,809	1,602,615	—8.3
AGRICULTURE—					
•Flour prod., bbls. (May)	2,099,996	1,481,449	10,304,154	8,390,031	+22.8
Cattle sales▴ (May)	87,876	72,939	402,130	432,270	—6.9
Hog sales▴ (May)	531,813	496,135	2,155,323	2,722,179	—20.8
SEA FISHERIES—‡					
Catch cwts. (Apr.)	297,008	313,507	1,415,238	2,377,574	—40.4
Landed value (Apr.)	1,642,790	1,302,052	4,311,922	3,893,978	+10.7
NEWSPRINT—					
Production, tons (May)	254,046	251,831	1,185,825	1,415,512	—16.2
Exports, tons (May)	241,509	249,242	1,108,159	1,283,676	—13.7
MINING AND OILS—					
Coal prod., tons (May)	1,300,619	1,299,694	7,507,111	8,065,089	—6.9
Gold rec., (fine oz.) (Apr.)	348,908	413,161	1,312,045	1,577,783	—16.8
•Petroleum prod., brl. (Apr.)	837,072	846,574	3,338,939	3,491,258	—4.3
ELECTRIC POWER OUTPUT—(May)—					
•Total monthly 1,000 kw.h.'s	3,502,819	3,174,764	16,269,363	15,569,184	+4.5
OTHER INDUSTRIAL FACTORS—					
•Shoes, prod., pr. (Apr.)	2,929,759	2,774,128	11,552,999	10,785,695	+7.1
Cotton consump., lb. (May)	15,751,887	17,064,741	80,339,205	84,656,640	—5.1
Cigarette cons., No.† (May)	907,139	771,478	4,766,022	3,848,212	+23.8
FINANCE—					
Bank debits† (May)	$ 5,423,711	3,790,964	21,117,778	17,824,665	+18.4
Bond sales† (May)	$ 111,195	92,341	1,689,523	1,723,015	—1.9
Life insurance sales (May)	$ 49,726,000	40,336,000	228,400,000	194,882,000	+17.2

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▴Total at yards and plants. †000 omitted. •Millions of dollars.
♦Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries. ‡Estimated.

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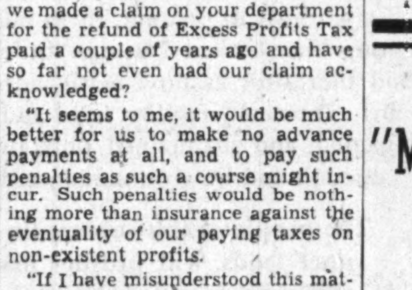

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See Hot Weather as Aid In Filling Meat Ration

Tends to Limit Gross Consumption But Swings Demand to Special Cuts, Causing Surpluses and Scarcity – Cattle Supplies Seasonally Light

Recent hot weather has been both a help and a problem to meat rationing. Reducing the demand for roasts, shank bones for soup, stewing meats, it has brought a boom in steaks, chops and cooked meats. The result is that some retailers have had a surplus of shanks and briskets while frying cuts have not been sufficient to go around. Retailers with good selling ability have been able to push other cuts, taking up some of the slack.

Over the country at large there seems to have been no great difficulty with the ration plan and customers have been able to make use of their coupons although no surplus has appeared.

Cattle Offering Light

One reason for this is that cattle just on the grass a few weeks tend to lose weight at first and farmers are not as willing to sell as they will be later on when their animals start to pick up weight. This situation is seasonal. Packing house officials say the lighter deliveries have not been felt as much as they might have been had the weather been cool. Hot weather has tended to reduce gross consumption.

Difficulties reported regarding the sale of sausages are not considered general. Packers state that sausages are a good buy when the meat content in regard to ration coupons is considered. Under government regulation the cereal content in sausages made at inspected government packing plants is limited to 5% maximum. Where this is exceeded or where sausages contain a large proportion of fat, demand is bound to be affected.

It is believed in some quarters that a price ceiling will be put on sausages shortly and if this is done retailers will be required to show the cereal content of the goods offered for sale. This it is believed will help to take poor quality sausages off the market. Much, however, depends on the local authorities.

Unrationed Meats

Complaints are coming in from certain quarters that there are not enough unrationed meats—kidneys, livers, tongues, etc., to fill the demand.

A remedy for this appears difficult. The quantity is limited not only by the number of animals slaughtered but by the inspection requirements. One packing authority stated that any hint of infection in hearts, livers, etc., causes them to be condemned. He estimated that possibly 10% to 12% of the total were destroyed on this account.

Moreover, the army is now taking these meats, in large quantities. In addition, fish hatcheries also take large quantities of liver for feeding young fry, while hospitals and institutions seek them also. Pork livers and kidneys are being sent overseas.

Generally, however, meat rationing is stated to be working out well so far, although it is felt the testing time will not really come until both supplies and demand are more nearly at a normal level.

Higher B. C. Lumber Prices Raise Subsidy Controversy

From Our Own Correspondent

VANCOUVER. — Considerable turmoil has been created in the lumber trade on the west coast as a result of Timber Controller A. H. Williamson's announcement of higher prices and the opposition of the Wartime Prices and Trade Board to approval of such a program without offsetting the raise by subsidy.

Donald Gordon is reported to be strongly against passing the increase in lumber prices along to the consumers inasmuch as it would be a break in the inflation front. If there is to be any increase at all, he argues, it should be paid for by subsidy. However, the situation is still to be settled.

In the meantime the lumbermen are getting their higher prices, and the government is subsidizing the difference, but this arrangement is to prevail for only a month, after which a more permanent setup will be established.

It has been necessary for mill operators to re-invoice all shipments made since June 15, when Mr. Williamson announced the new prices effective.

The subsidy is being made through the Commodity Prices Stabilization Corp.

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G. Tamblyn Sales Rise In Latest Quarter

A considerable increase in sales for three months ended June 30, 1943, over the corresponding period last year is reported by G. Tamblyn in connection with the payment of the quarterly dividend of 20 cents a share.

The increase was achieved in spite of shortages of merchandise in certain lines. Also announced was the reopening of the company's store at Barrie, badly damaged by fire in Dec., 1942.

Harding Carpets Ltd. report that, notwithstanding material and labor shortages, taxation and Government restrictions, the regular semi-annual dividend of 10 cents, paid July 2, has been amply covered by earnings of the past six months.

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Now—not alone for love of country but for our very salvation, we, the civilians of Canada, must regulate our lives by the demands of wartime economy. And in doing so we must banish all thoughts of sacrifice. At home there is no sacrifice...there is only privilege.

That we work harder, perhaps at thankless tasks, is a privilege for which millions in Nazi-ridden lands daily pray. That we are *invited* to invest in Canada's War Loans to hasten Victory and lighten our post-war burdens is a privilege granted only to free peoples. That we pay, through taxes, a fair share of the bill for a secure and better world is a privilege no true Canadian would willingly yield.

In all, then, that we are summoned to do...in the light of an opportunity to serve our country...let us spurn "sacrifice"...for

In 1943 - it's PRIVILEGE

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243

Industrial Accidents

Canada "Loses" 400 Catalinas This Year

Accidents in Industry Mean Five Million Day's Work Lost

By JEAN I. HAMILTON

This year accidents in industry are going to cost Canadians five million days of work, bring permanent injury to thousands and suffering to many more. The accident rate is going up — 5% higher this year over last already. More workers, many inexperienced, contribute to the toll. Industrial diseases — dermatitis, silicosis and others — are serious threats which can be controlled by protective devices and medicines; injuries can be kept down by education and adequate protection around machines. The problem involves co-operation of worker, employer and safety organizations everywhere.

Five million man days will be lost to Canadian industry this year due to accidents to workmen, authorities on safety methods estimate.

This five million man days would mean $25.9 millions off labor's payroll on the basis of a 48-hour week and the average industrial wage in Ontario.

It would mean a time loss equivalent to that required to make 400 Catalina flying boats, 114 minesweepers or 2,000 army tanks, it is estimated. It is a loss that Canada cannot afford, which cannot be measured in dollars and cents alone but which involves suffering and perhaps permanent injury or even death to thousands of Canadians.

A workman wanted to repair the hoisting mechanism of a dump truck. He raised the body to its full height but did not safeguard its position by placing blocking across the frame. As he worked at the hydraulic mechanism, the dump body released and fell to the truck frame, crushing the workman underneath. The victim was 26 years old, married, and left two children, aged three and four.

A 24-year-old girl, working at a machine, dropped her candy. She bent to pick it up. Her hair got caught in a revolving shaft and the entire scalp area was torn off. Skilled surgery lifted skin from her back and grafted it on her scalp. The surgeon even replaced her eyebrows. A high price was paid in pain and shock to the girl, but it actually cost the Ontario Workmen's Compensation Board $1,152 for compensation plus $2,113 for medical aid in this one case.

Add to such plant accidents the increasing amount of dermatitis—an industrial disease occurring among workers—and you have a picture of industrial hazards.

"Skin eruption due to occupation is responsible for 60% to 70% of the total number of cases of occupational diseases in Canada," states a report by the director of Industrial Hygiene of the Ontario Department of Health.

From these examples and the following table it is seen that it costs dearly to have an accident or to leave workmen exposed to unnecessary risks:

Workman slipped on ice	$508
Slipped while handling a gun skid ..	332
Moving coal conveyor, foreign material in eye	288
Slipped pushing a truck on icy road	267
Slid under wheels of moving truck	249
Hand caught in fan of motor truck	163

These sums represent compensation and medical aid paid to the injured, not the total cost of each accident. It is estimated that the indirect cost of accidents in industry is four times as great as the direct cost represented by compensation and medical aid.

Three Agencies at Work

Three agencies are at work in Ontario to educate, protect and, in the event of accident, compensate workmen in the province's industry. They make it their business to try to get a clean bill of health for Ontario as far as accident prevention is concerned.

They are: (1) eight accident prevention associations sponsored and supported by the Ontario Workmen's Compensation Board; (2) various safety supply companies which manufacture and distribute safety equipment; (3) the Ontario Workmen's Compensation Board which, when accident or death does occur, provides medical aid or compensation, or both.

Five Million Days Lost

Between January and May this year, Ontario reports an increase of 5% in industrial accidents, all contributing to the over-all estimate of five million man-days to be lost to Canadian industry in 1943.

In Ontario alone there were 53,244 accidents in this five-month period with 11,934 of them in March, worst month to date this year. For January, February and March the total was 32,683 compared with 30,735 for the corresponding period of 1942. The Ontario Workmen's Compensation Board paid $937,649 in compensation and medical aid for the 10,320 accidents in May alone.

The Board's clinic handles 185 rehabilitation cases each day. It has a backlog of 5,000 claims for temporary disability and 13,000 for permanent disability or payment to dependents for death claims either accepted or in process of settlement.

Accident Effects Multiplied

An accident to one keyman can mean far more than the loss of his time, an official of Imperial Varnish & Color Co. points out to The Financial Post. Frequently, he says, one skilled man has to lead and instruct five or six unskilled men. If the skilled worker suffers an accident, production of half a dozen others may be dislocated.

We have many substitutes for materials which were common prior to the war. But there is no substitute for manpower.

Wartime Accident Causes

Wartime increases in industrial accidents are due to many causes. Large numbers of green hands in war jobs; many laborers who have not been educated to be safety minded, shortage of men compelling industry to hire youths and inexperienced help.

Since a large proportion of accidents are preventable, management is urged to keep a sharp lookout for hazards in their industry. Accident prevention associations suggest:

Check up on why a worker proves to be a "repeater." If he goes to the first-aid kit too often, he may have unsafe habits.

Substitute mechanical devices where manual methods which expose a workman to irritant materials and subject him to dermatitis.

Use a wire basket for dipping metals into degreasing solvents instead of having it done by hand.

Install first-aid kits in commercial trucks.

Familiarize employees with irritant properties of materials being used.

Supply protective clothing and guards for the person and machine.

Draw off irritant gases and vapors, especially where sweating in the presence of such substances may cause skin eruptions.

Insist on thorough cleanliness of plant and employee.

Experts Teach Safety

Canadian Kodak Co. makes its department supervisors responsible not only for the quality of production but for the safety of the workers. They take time off to have experts explain safety methods. Movies of what happens when precautions are disregarded are shown and various protective garments are supplied, notably a special cap for women to keep their hair completely under cover.

Exposure of the skin to alkalies, acids, oils and solvents frequently results in occupational dermatitis. It is estimated that in the United States 20,000 men lose time from their work every year from this cause. Average care costs 10 weeks loss from the job, $100 in compensation and $90 for medical attention. Dermatitis acquired at work now costs American industry at least $4 millions annually.

Specialty Creams

Protective creams have been developed to protect workers against such dermatitis. One brand comes in nine varieties, each designed to protect against some specific irritant material encountered in industrial work. The automobile industry first asked for these "Helena Rubinsteins of the Industrial Plant," now available to any company at moderate cost.

For work among paints, enamels and varnishes, a protective cellophane-like film of one of these creams prevents such chemicals from adhering to the network of pores and hair follicles of the skin. Persistent use of the preparation makes paints and varnishes came off easily with ordinary hot or cold water. It eliminates use of harmful solvents such as turpentine and gasoline.

Some garage mechanics are in danger of having their hands partially disabled owing to friction from handling tools in combination with the constant irritation of oils and grease. Likewise dehairers of hides in leather tanneries are subject to dermatitis. Such a "hand guard" wards off conditions like these.

There is even a special protective cream for welders and cutters. Flashes occur which cause burns of a severe nature due to the ultraviolet and infra-red rays. Such workmen, coated with this protective substance, can work with their shirts open and with a minimum of clothing without danger of burning.

Cable Protection

A press punch safety device keeps the operator's hands out of danger by means of steel-cored cables which pull the hands away when they go too close to the machine.

A specially processed plastic laminated cotton, thoroughly flameproof, protects against acids, chemicals, paints, solvents, oil, dye, water and other industrial hazards. Sleeves and aprons of this material are crack-, snag-, and water-proof.

Over 4,000 plants in Canada supply their help with industrial goggles, but this is only a small percentage of those where they should be in use, says a safety expert.

Steel reinforced gauntlets for women are now being worn in factories as are safety caps of navy twill with lightweight mesh crowns to hold all the hair in and eliminate danger of curls being caught in moving machinery.

The figure for accidents in industry is on the increase, but there is one encouraging aspect of the whole picture: the biggest increase occurs in the minor accident field, that is, where no compensation is called for but where medical aid only is provided.

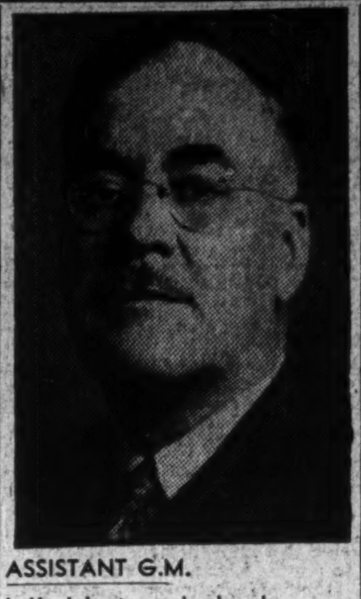
Compensation Act Changed

In view of this increase the recently incorporated amendments in the Workmen's Compensation Act of Ontario are of interest. These amendments involve augmented compensation to dependents of workmen suffering disability or death. They will be absorbed by assessments on industries registered under the collective liability system. In this connection there was a jump of $1 million between the 1941 and 1942 assessments.

The maximum wage rate has been increased from $2,000 to $2,500 per year on which compensation is paid to workmen in event of accident arising out of and in the course of their employment, and for industrial diseases. The amendment was handed down on April 14, 1943 and applies to accidents occurring on and after July 1, 1943.

Formerly the maximum wage rate was $2,000 per annum or $38.46 a week. At that time two thirds of this sum—$25.64—was the greatest weekly amount of compensation a workman who suffered disability could receive. But by increasing the $2,000 figure to $2,500 the weekly basis of the worker's earnings will be $48.08, two thirds of which—$32.05—will represent the maximum compensation after July 1.

Other amendments increase compensation paid a widow to $45 a month, plus children's allowances, establishes minimum dependents allowances, clarifies status of payment to an injured workman by his employer following accidents, extends protection against "pneumoconiosis" to other industries besides those providing the threat of silicosis and extends additional protection to seamen who meet accidents.



ASSISTANT G.M.

I. K. Johnston, who has been appointed assistant general manager of the Imperial Bank of Canada.

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THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED
25 King Street West, Toronto

THE FINANCIAL
POST
Canada's Foremost Business Newspaper

Toronto, July 10, 1943

Investing for Tomorrow

Bell Telephone Shows Growth Record Plus Future Promise

Its Market, Said to be Far From Saturation, Depends for Maximum Attainment on General Prosperity, and Offers Opportunity for Postwar Progress

By **BRUCE MacKINNON**

It was only 67 years ago that "Mr. Watson, come here, I want you" came in cracked, adenoidal tones over the copper wires that linked the cluttered rooms of Alexander Graham Bell's primitive laboratory.

There was only one Watson to answer the 'phone on that day in 1876; today there are more than 45 millions. Even national debts have not grown so fast.

Yet in spite of an expansion that makes imagination reel, nine out of ten investors would class Bell Telephone as one of the most stable investment securities, a "blue chip" aristocrat, but definitely not one of the dynamic issues.

Why?

For part of the answer, look at Bell's price (currently $152), too high for many speculators. Then there is its record of continuous dividends since 1881, the fact that its rates are slow to change, that wartime taxation is whittling down net profits.

In the background is the remembrance of the depression; ten long years of economic sluggishness. After 1929, it was not until 1938 that a new high in the number of telephone subscribers was established, an unprecedented interruption in the company's growth.

Growth Era Still Ahead

But these are all history—no one has painted the investment portrait of Bell Telephone in the colors that Victory will provide. And whether one is optimistic or conservative about postwar conditions, it is clear that a substantial era of growth lies ahead that could only be thwarted by a return to the stagnation of the 1930's.

Because almost every Canadian is "sold" on the telephone, the limit to Bell's growth is only set by the number of families in its territories and the incomes of those families. Hence, more than most companies, Bell's fortunes are tied directly to the level of national employment and national income.

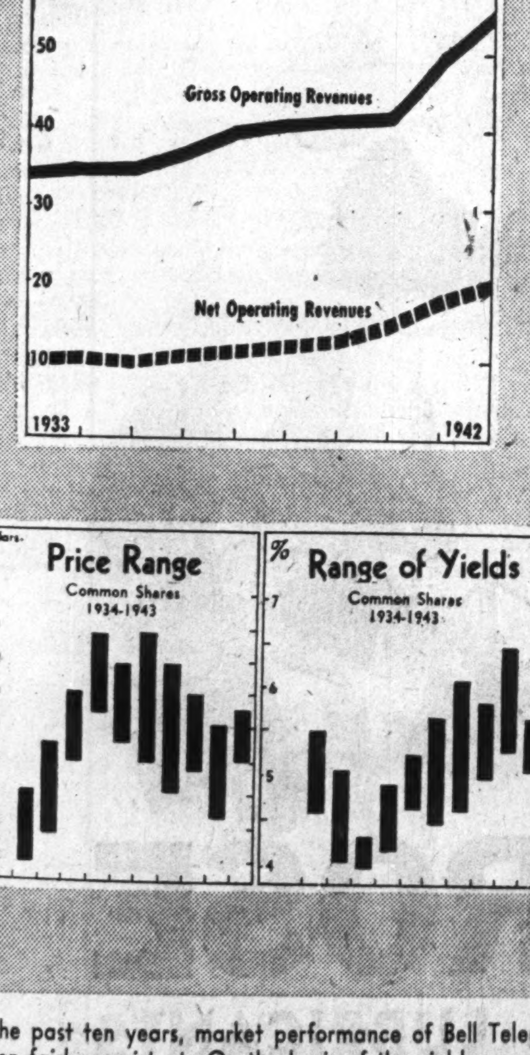
If Canada is able to maintain full employment and a level of income comparable to that of the war years, the number of telephones in use could easily double, with no change in the population.

Today there are less than 13 telephones for every 100 persons in Bell Telephone territories. In only one division, Toronto, is the telephone market close to the "saturation" point. Toronto has 80.2 residence telephones for every 100 familes, the highest development on the continent for cities of more than 150,000 population.

Other cities are less fortunate and more typical. 1941 Dominion Housing Census shows that Montreal has 45 telephones for every 100 households; Hamilton 48; Quebec 54; Windsor 39. Bell's market will not be "saturated" until all of these centres can boast at least one telephone to a household.

Don't forget that the above figures were taken by "households" in a war year. They include many households containing two or more families, with one telephone for the lot. Much of this doubling up can be expected to end with the war.

Over all, the potential expansion can be measured by the fact that there are less than 13 telephones per 100 individuals now. On the basis of four persons to a family, there could be approximately 25. On top of that there should be five or more business telephones for every 100 persons, making a grand total of perhaps 30 telephones for every 100 population. By this reckoning, Bell is still serving one third to one half its potential market.



Over the past ten years, market performance of Bell Telephone has been fairly consistent. On the basis of the yield range (percentage of dividend to market price), the stock has been low-priced when yielding 5½ to 6%, overvalued when yielding from 3¾% to 4%. Latterly, the range in yields has risen as taxes eat into earnings available for shareholders, and buying range perhaps should be regarded as beginning when the stock yields approximately 6% and higher. Correspondingly, the recent years' experience indicates the selling range starts at yields of 5% and under.

Wartime Growth Restricted

What has left such a wide field for expansion has clearly been the low level of peacetime incomes, plus restrictions on expansion after war had corrected the income deficiency.

Since April, 1942, installation of new telephones, particularly in residences, has been severely restricted. Bell's salesmanship has gone into reverse, has urged Canadians not to ask for telephones, to restrict messages.

But in the face of this negative salesmanship, a backlog of 52,000 unsatisfied requests for telephones has piled up—enough for a 6% growth in the number of subscribers in little more than a year. And during 1942, 37,000 more telephones were installed for essential use, a growth of 4%. In other words, despite "negative salesmanship," Bell's services have demonstrated their ability to grow at the rate of 10% a year under the stimulus of a high level of national income.

Lay Postwar Plans

Against that record of growth, Bell's own postwar plans are taking a conservatively optimistic tone. The executive planning committee, on which serve the president, vice-presidents and key executives, held its first meeting last May, keynoted its preliminary plans on a reasonably early victory (1944-45) and a continued expansion.

From this main committee stem various subcommittees to deal with specific problems—employee rehabilitation, sales, equipment, service, etc.

The main jobs visualized by Bell's planners are:—

To reabsorb the 1,900-odd employees now in the armed forces.

To catch up on the backlog of civilian postponed demands and to provide a margin for expansion.

To replace and repair equipment whose alteration has been delayed by wartime scarcities.

To relieve the present overloading of equipment.

To convert Northern Electric Co., the manufacturing subsidiary which makes 90% of Canada's telephones and is now 80% devoted to war work, back to normal production.

To continue the conversion of existing manual telephone exchanges over to the dial system. It is probable that at least 30 common battery manual exchanges and over 100 magneto exchanges will be converted to dial after the war, raising the percentage of dial-operated telephones to 93% against the present 72.3%.

Along with these basic tasks will go many complementary duties—changing subscribers' lines from two and four-party service to individual lines—extending farmer and other rural service—expanding certain exchanges and contracting others in line with shifts in population and demand.

Technical Developments Remembered

Basically, the first patterns on the Bell Telephone postwar blueprint are the primary responsibilities entailed in catching up on the wartime gap in service and rehabilitation. This part of the pattern is a straight continuation of interrupted prewar trends—towards fuller use of new moulded plastic self-contained instruments, possibly in color—greater application of the long-distance dial system on toll calls, which permits the operator in one city to dial a number in another without disturbing the local operator. Similarly with other technical developments—the "carrier" method of carrying several calls on one wire simultaneously—the coaxial cable, called the "wire in a tube," which permits the transmission on frequency bands a million cycles wide, together with methods of "compressing" the frequency needed for a single voice channel without distortion—all these are multiplying the effectiveness of the existing system.

Significance of these technical advances, many of which are already installed in some circuits, is that they will greatly add to the service that Bell can provide, without adding significantly to operating costs under full scale operations. Dial telephones, for example, involve heavy initial expenditures, but result in operating economies that ultimately more than repay the investment, although in an operation as complex as the telephone industry, precise allocation of costs to specific items of equipment is impossible.

For telephone user and investor alike, there is nothing novel about telephone progress—the industry has been steadily developing technically since its birth. But for a company whose rate structure is inelastic, the ability to continue reducing costs by technological improvements is essential.

Rate Structure Inelastic

Bell Telephone's basic rates were set after hearings before the Board of Railway Commissioners in 1926 and 1927. With minor exceptions, such as frequently reduced long-distance tolls, since 1929 the rates have remained unchanged. Basis of the Bell rate structure is that the subscriber in the larger centre is brought in direct touch, at his flat subscription rate, with more people than the subscriber in the smaller centre. In addition, because of the wider field with which he is brought in touch, the subscriber in the larger centre entails greater cost of operation. Result is that under its approved rate structure, Bell groups all its subscribers into nine classes depending on the number of subscribers in the district. Lowest rates apply for a region with less than 500 subscribers, highest for the district with more than 100,000.

Within these "population" categories are further divisions, according to the class of instrument provided, whether it is to be used for business purposes, whether it is a party line, individual line, or a trunk line with a local switchboard.

No official mention has been made of alterations in basic rates and informed opinion suggests that there will be no major changes. The measured service system, for example, under which the subscriber is charged so much per call after a certain number of calls have been made, and which is widely used in the United States, is not regarded favorably although it is in effect in a few localities. While the measured service system tends to apportion charges more fairly than the flat rate, it also tends to restrict use of the telephone, and involves the installation of costly recording machinery to keep track of the calls.

In one field there may be rate adjustments after the war. The rapid shifts of population during wartime have led to substantial growth in some centres, which would normally call for a rate increase in line with the increased service costs and numbers of subscribers. Price ceilings have blocked any such rate boosts, and while the number of centres affected is small, there may be some rate shifts in prospect if centres of war production retain their present populations.

That problem of where Canadians will work and live after the war is of key importance to Bell's operations. If the trend toward decentralization continues (it had gained a fair impetus before the war) Bell will find itself serving many medium-sized communities instead of a few large and many small centres. If the trend toward suburban living—working in one community and dwelling in another—continues, there will probably be an increase in the use of long-distance tolls.

And even if there is no substantial change in the present pattern of big metropolitan areas fringed with suburbs and satellite towns, air transport progress, possibly wider ownership and operation of automobiles, can be expected to add to the traffic on long distance wires. It is not coincidence that Bell's period of most rapid growth accompanied the equally rapid growth of the automobile and the aeroplane. It is axiomatic that the smaller the world becomes to transportation, the greater becomes the need for close personal communication over long distances.

How long distance traffic develops in the immediate postwar world will probably be of critical importance to Bell Telephone's revenues in the first year or two after victory. Accounting last year for 28% of total revenues, long distance revenues rank second only to local service charges which provided 67 cents of the Bell sales dollar. At $15.7 millions, Bell's long distance revenue last year was more than twice that of the depression low of $7.4 millions for 1933, was up nearly 50% from the pre-war peak of $10.4 millions in 1930.

Long Distance Helps Profits

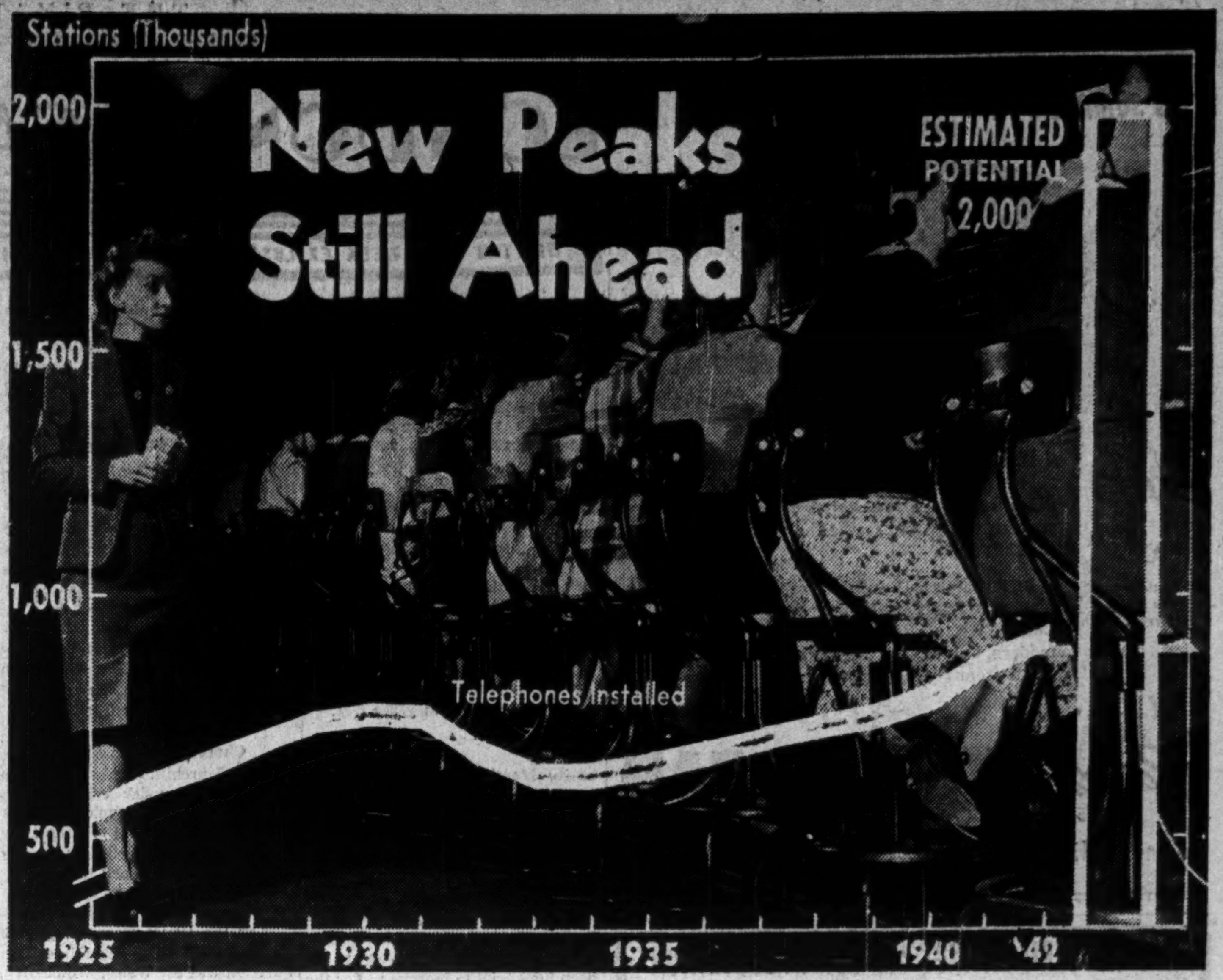
For the longer term prospect, the number of subscribers on Bell wires is the major factor, both in growth and in earnings. But in the shorter term, long distance traffic is the more important influence on year-to-year profits.

While reasonably accurate estimates can be made of Bell's long term development (over, say, a 10 to 15-year period the number of subscribers could double under favorable conditions) it is not possible to make any predictions as to long distance traffic, save that it will probably not retreat below the immediate pre-war plateau of around $9 millions. But if Canada enters a period of high business activity, if travel is extensive, if security trading is active, if exports are heavy, long distance telephony will be correspondingly active.

So far we have been dealing with Bell's development along conventional lines. There are other, newer fields which may assume a growing importance which cannot now be evaluated.

Television, for example. Inter-city transmission of television programs calls for telephone circuits capable of carrying very wide frequency bands. The coaxial cable is the probable solution, just as it is for carrying more long distance messages on fewer wires,

(Continued on page 13)



Bell Telephone had more stations installed in 1942 than ever before but calculations suggest this peak is less than half its potential.

A New Investment Series

This week, The Financial Post begins a series of major articles on the postwar possibilities of leading Canadian investment stocks.

Object of the series is to evaluate and reappraise the major companies in the light of what Canada and the United Nations are now planning for the years after Victory. Wartime improvements in production technique and new hopes for fuller employment and higher world purchasing power have made drastic changes in the outlook for individual companies and for whole industries.

More than a billion dollars has been added to the market value of Canadian securities in the past year. For most Canadians this market advance represents tax-free profit—capital appreciation.

We don't pretend that the present series is the whole answer to future capital appreciation. But it is designed to show where and under what conditions certain companies can grow—information invaluable to the investor.

Wings of the Future

Will We Have Glider Trains?

Fuel-weight Ratio Still Crux of Air Transport Outlook

This is the last of a series on postwar aviation written for The Financial Post by Ronald A. Keith, editor of Canadian Aviation, now on war service.

By **RONALD A. KEITH**

Will the future see glider trains carrying freight of every kind, grown-up versions of the recent trial transatlantic glider flight?

Will giant sky transports cross the oceans with all kinds of cargo and ships, trains and automobiles end in historical museums?

To some aviation enthusiasts such things are quite possible after the war; to others they are far-fetched. But most reliable aviation executives are firmly sold on the sensational prospects of the airplane although maintaining that there will always be a place for surface transport.

In spite of cost and other restrictions, however, an enormous expansion of domestic and international air traffic is to be expected. And there is always the possibility of revolutionary inventions.

Gliding Pullmans

Already it is apparent that the glider and the helicopter are destined to play an increasingly important role in postwar aviation. There is serious discussion of glider trains for passenger, express and even freight transportation. It has been demonstrated that the efficiency of a given horsepower is multiplied by the use of gliders trailing behind a locomotive plane. Thus there is a lively prospect that flying trains eventually will become ordinary features of our transportation system.

From the passenger viewpoint, the glider train has distinct advantages, providing the most delightful form of travel, silent and relatively free from vibration. From an operational standpoint, the glider train has the distinct advantage of flexibility. Thus, the carrier can be enlarged or reduced depending on the volume of traffic. Furthermore, on a long run, glider coaches could be dropped and even picked up without the locomotive plane making a landing.

The helicopter, which has been demonstrated successfully by Igor Sikorsky in recent months, appears to have astounding possibilities, for use in short-hop feeder services carrying mail and passengers. Its role as the "family" plane of the future is the subject of much controversy. Under present conditions it is understood the Sikorsky ship requires an enormous amount of power, hence has a high fuel consumption, relative to the load carried.

Airline Executives Speak

A typical experienced opinion was voiced recently by Ernest R. Breech, president of Bendix Aviation Corp. He said:

"I foresee a tremendous expansion in the use of airplanes as cargo carriers, but I do not share the same views as those who are predicting that airplanes will completely replace trucks, freight cars or even express trains, let alone ships at sea, when it comes to carrying low-cost goods in great bulk."

W. A. Patterson, president of United Air Lines, predicts that within 10 years in the United States, 80% of first-class passengers, 75% of first-class mail going more than 450 miles, and 50% of the parcels now being mailed will be carried by domestic airlines. Such expansion would require U. S. lines to increase the prewar fleet of 350 planes to 5,250. The end of the railroads and steamships, he says, is not in sight.

The more fantastic predictions of a world taking wing come to grief on the twin shoals of fuel and cost, the two being related. There is no doubt that planes could be built to haul heavy low-cost freight, such as tar or gravel. But until the fuel-cost problem is licked, such transport is out of the question. (Discovery of a light-weight low-cost method of propelling aircraft might change the picture entirely).

True, wartime air transport is impressive and the full story, could it be told, would be startling indeed. But even so, it is still on a dispatch case basis compared with seaborne traffic. This must be obvious when it is considered that it takes 35 tons of gasoline to deliver five tons of aerial freight from the United States to Chungking and get the plane back to the United States.

Even on the shorter South Atlantic run, where fuel is available at both ends, in South America and the Middle East, it takes a ton of fuel for every ton of air freight delivered.

According to a report by Standard Oil of New Jersey:

"Most cargo planes now in transoceanic service require more tankers to keep them in operation than they replace in freight ships . . . It is fuel that is the priority passenger on every flying freighter.

"If one of the mammoth cargo planes we have been hearing about were to lift its 250,000 lb. over San Francisco tomorrow and with its six engines beating steadily, head for Australia with enough fuel for the 16,000-mile round trip, the quantity of military supplies it could carry would be exactly nothing.

"If a 70-ton freighter similar to the Mars were to load enough fuel for a 12,800-mile round trip to Egypt, it would have to fly with empty cargo space."

In wartime, of course, cost is not a first consideration. But after the war, the flying freighters will have to pay their way. This will mean carrying passengers and express rather than the heavier, cheaper cargoes. The fuel-cost factor will also determine the world routes, weighting the scales heavily in favor of the hop-skip-and-jump runs, such as the North Atlantic route via Newfoundland, Greenland, Iceland and the Faroes. Thus the trans-polar routes, because of heavy fuel costs and absence of intermediate traffic, probably will be relatively infrequent high-speed services for some years.

The same fuel-cost consideration will determine domestic transport destinies. Thus, innumerable examples could be quoted to demonstrate how big planes could replace freight trains. For instance, a freight train assigned to deliver 1,560 tons from Chicago to San Francisco could do the job in a month, involving two round trips. The same job could be done within the same over-all time by 57 Douglas DC-3's shuttling back and forth. But the cost by air would be $1¾ million compared with $50,000 by rail.

Air Express Rates

Present air express charges are in the neighborhood of 80-90 cents per ton-mile, compared with 10-17 cents for railway express and 3-5 cents for less-than-carload freight. It is felt that with present over-all air freighting costs about 40 cents per ton-mile, scientific improvements and greater volume might bring tariffs within competitive range of railway express, but it will be a long time before air freight can come

(Continued on page 13)

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LONDON. — There are rumors Lord Beaverbrook may join the government and certainly there is no reason to suppose that there has been any rift between himself and the Prime Minister.

At the same time I doubt if the Canadian-born Peer is very anxious to become a Minister again. From the days when he startled St. James Street in Montreal he has been very much of a lone wolf. He likes to have the final decisions and does not travel easily in harness.

However, it is said that no man who has held political office is ever happy until he feels the chains again on his ankles. Men are funny that way. They are always proclaiming the blessings of freedom and are never happy when they are free.

• • •

Morrison Loses Post

In spite of denials, there is no doubt that Herbert Morrison and Ernest Bevin, the two strong men of the Labor Party, are drifting farther apart since the recent Labor Party conference at which Morrison failed to win tthe post of party treasurer.

Oddly enough, that defeat has been beneficial to Morrison. For the first time he finds himself possessed of the sympathy of his Socialist colleagues. The ordinary Socialist M.P.'s are a kindly, sympathetic lot and now that Morrison is neither on the executive nor serving as treasurer they are beginning to think that he has been harshly treated.

Nor does Morrison intend to leave things where they are. He has announced that he will shortly make a public address on the future of the Labor Party. His close friends say that he intends to lift the lid.

• • •

Priestley Starts Argument

In the meantime our old friend J. B. Priestley has roused the wrath of the Tories. Some two years or so ago he used to deliver the Sunday night Postscript on the BBC following the 9 o'clock news. Much as the BBC dislikes controversy. Priestley spent his time denouncing capitalism, private enterprise and the Tory record of government. For this he insisted upon a fee of $250 a night, which is a very high figure over here.

Eventually there was an outcry against him, and Duff Cooper, then Minister of Information, took him off the air. A little later Priestley joined Sir Richard Acland and Vernon Bartlett in the beginning of what became the Common Wealth Party. Their main idea was brotherly love toward everyone except the Tories and the capitalists. Unhappily the three good Samaritans quarrelled so violently that now they will have nothing to do with each other. Acland owns the Common Wealth Party outright and the others go their own way.

A few weeks ago Priestley produced a play called "They Came to a City." It was all about a group of people of all types who came to a golden door which was the entrance to a dream city where everyone was happy because there were no capitalists and everyone shared the Beveridge spirit.

The government is now in the theatre business. Through the Council for the Encouragement of Music and the Arts (it is known as CEMA) certain plays are described as educational and do not have to pay income tax. Thus we have the spectacle of a Tory Chancellor, Sir Kingsley Wood, subsidizing a play which denounces the Tories.

• • •

Churchill Under Attack

Even Churchill, omnipotent as he is, has come under criticism. In other words, the benevolence which almost put Parliament to sleep after the victories in North Africa has evaporated—and a good thing too.

Churchill's crime was to intervene on behalf of one of his ministers just as the House was getting him nicely on the run. The minister in question was Sir Walter Womersley, the self-made Tory Pensions Minister. Sir Walter would not make concessions which the House was demanding, and an all-party group were barking at his heels.

Suddenly the Prime Minister let it be known that he approved of Sir Walter and of his own administration. Some of the faint hearts beat a retreat at once and others barked more softly. But the rest of the pack said that it was not right for the Prime Minister to raise his umbrella over Sir Walter. On this basis Mr. Churchill need only lay his hand upon a Minister's shoulder and he becomes sacrosanct. So there were cheers in the House when Commander Braithwaite, in naval uniform, said that if a vote were taken he would ask for a day's leave to come up and vote against the government.

• • •

Concerts in the Park

The government has also extended its interest to the parks of the London suburbs. Every effort is being made to keep people at home and to discourage them from travel. In pursuance of this policy the government and the London County Council, with C. B. Cochran, as artistic adviser, and through CEMA, are arranging a series of open air festivals in the parks.

I journeyed to Brixton to attend one of the festivals and saw a very good ballet which performed before a large but rather puzzled crowd of Brixtonians. Following this, the D'Oyly Carte Co. will do Gilbert and Sullivan, and the Carl Rosa Co. will give them Grand Opera. Admission is charged, of course, but in the probable event of losses the deficit will be shared equally by the L.C.C. and the government.

Brixton is just a beginning. Hackney is next and some other place after that. So far the weather has been delightful, but it has been known to rain in London. I fear for what may happen to all these estimable intentions if old Jupiter Pluvius should take a hand.

• • •

One-eyed General

I had the pleasure of an hour's chat with Field-Marshal Sir Archibald Wavell. At the moment he is in the transition state of giving up a long and distinguished military career and learning how to think as a civilian. Dressed in a grey suit, he was making a good start in his new career.

When you meet Wavell he seems shy, quiet and uncommunicative. One can understand why Winston Churchill doubted his capacities when they first met. However, after a time the real Wavell begins to emerge. He has a quiet chuckle and a swift appreciation of intelligent nonsense. He is also responsive to a phrase, for he has unusual gifts as a writer. We talked of many things and the longer we talked the more likeable and impressive he became.

He spoke in the warmest terms of Raymond Collishaw, the Canadian Air Vice-Marshal, who played such a big part in fooling and destroying the Italians. When I tell you that the Field-Marshal does not think much of Napoleon as a General you will realize the value of his praise for Collishaw.

I wish I could tell you more of what he said, but the conversation took place at a private affair at the home of his host "Chips" Cannon, M.P., and the General was not talking for publication.

Output Still Below 1942

Hinde & Dauch Report Reflects Wartime Restrictions

During the second quarter of 1943 output of the Hinde & Dauch Paper Co. showed only a slight improvement over the first quarter of the year, L. F. Winchell, vice-president and general manager, reports.

This represents a decline in production over 1942, due mainly to governmental restrictions on demand. but the present backlog of orders is now greater than for many months and it is expected that for some time to come the facilities of the company will be as fully employed as labor conditions will allow.

All outstanding bonded indebtedness of the company has now been retired so that it enjoys its strongest financial position, the vice-president said.

The future presents some unfavorable aspects. Besides the shortage of labor, material shortages are beginning to be felt, and, in spite of all efforts, costs continue to rise, the report states.

Brown Co. Corrects Mill Closing Report

Brown Co. has issued a statement correcting the recent report that the company closed its Cascade mill at Berlin, N.H.

"Actually," runs the company's statement, "only the pulp operations conducted at that mill were suspended as of July 4, after which all pulp is being produced at the company's Burgess paper mill, which is the main pulp mill at Berlin.

"The Cascade mill has always been primarily a paper mill and is currently producing papers for war and essential civilian needs. Its paper-making operations will be in no way affected by the consolidation of all pulp production at the Burgess mill."

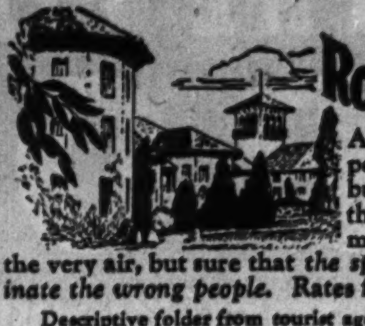
Lake St. John Power Workers End Strike

Lake St. John Power & Paper Co.'s workers at Dolbeau are back at work, after having been out on strike for three weeks. According to the notices announcing resumption of work, the workmen will return under the existing labor contract signed by the company with the International Brotherhood of Pulp, Sulphite & Paper Workers.

The company's 350 employees went on strike on June 9, with the alleged reason they protested against the hiring of an outsider instead of promoting a man already on the payroll.

An investigation into the dispute has been started by the three-Judge board set up by the Provincial Government. A report is to be made by the board to the Government before Aug. 1.

Montreal Stock Exchange and Curb Market handled 3,159,000 industrial shares in the first half of 1943. This contrasts with 959,237 shares in the like period a year ago, or 2,160,841 industrial shares for all of 1942.



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Make them good, now, for the duration . . . parts are still available!

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Underwood craftsmen, using genuine Underwood replacement parts, will restore traditional speed and accuracy, giving each machine a new lease on life.

That's important, because no new typewriters may be made now, except for military and "essential business" use . . . and present stocks of replacement parts won't last forever.

Look ahead: Have your Underwoods rebuilt by the maker—now. Then, you'll be typewriter-safe "for the duration" and long afterwards. Call the nearest Underwood Elliott Fisher branch.

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Save gasoline—travel by train to Gray Rocks for your biggest dollar's worth of holiday activities. New, improved service by C.P.R. Golf and all other sports. Restricted clientele.
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IMPORTANT FACTS ON PULP & PAPER WAR EFFORT

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IN MAKING HIGH EXPLOSIVES WOOD PULP HAS LARGELY REPLACED COTTON LINTERS. TODAY CANADA MAKES SUCH EXPLOSIVES AND EXPORTS CHEMICAL PULPS TO BRITAIN.

THE EXPERIENCE OF CANADIAN CHEMISTS SINCE 1918 IN MAKING RAYON AND QUICK-DRYING VARNISHES FROM WOOD PULP IS NOW BEING USED FOR WAR. AFTER THE WAR IT WILL AGAIN BE USED FOR PEACE PURPOSES.

THE PRODUCTS OF THE INDUSTRY go into many things besides explosives. Shells, depth charges, land and naval mines, radio equipment, parachutes for dropping flares, all contain paper or paper products. Without paper no war could be fought . . . no country could function successfully in time of peace.

IN PEACETIME . . . CANADA'S GREATEST MANUFACTURING INDUSTRY

THE PULP AND PAPER INDUSTRY OF CANADA
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Constant Laboratory Control Guarantees the Quality of All

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Since - - The Dominion Succession Duty Act was passed in 1941 and the National Defence Tax was introduced?

Do not penalize your family through lack of attention to the effect of taxes on your estate.

We urge you to discuss with us what plans you should make for the administration and distribution of your estate against the background of existing taxation.

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"Security for your Family"

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TORONTO MONTREAL HAMILTON
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A large number of valuable Entrance Scholarships, Bursaries and Leonard Awards available every year in both schools.

Courses leading to Pass and Honours Matriculation. Special course for boys seeking business careers. Cadet Training and Civil Defence Activities.

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School Re-opens: Tuesday, September 14th

Prospectus and Full Information on request

H. C. GRIFFITH, M.A., LL.D., Headmaster

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Junior and Honour Matriculation—Nursery, Kindergarten and Junior School—Art—Music—Household Economics—Secretarial Course—Swimming Pool—Skiing at School Farm

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For illustrated calendar write the Principal

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1842
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A Residential School for Boys

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Present world conditions and a consciousness of tremendous tasks ahead make education today an increasingly important national responsibility. This school offers a complete educational programme for boys from nine years of age to Honour Matriculation; also Business Courses for senior boys. Besides an academic curriculum, Pickering offers an activity programme which develops the boy's personality and prepares him for citizenship.

The Headmaster, Joseph McCulley, M.A., invites correspondence and interviews with parents. Autumn Term enrolments now being received.

SCHOOL RE-OPENS SEPTEMBER 15th

43

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LENNOXVILLE, QUE.
founded 1843 — Royal Charter 1853

A residential University for men in the Faculties of Arts and Science, and Divinity. Women are admitted to lectures.

Courses extending over period of three years are provided for the following degrees:

BACHELOR OF ARTS — B.A.
BACHELOR OF SCIENCE IN ARTS — B.Sc.
BACHELOR OF SCIENCE IN ECONOMICS—B.Sc. (Econ.)

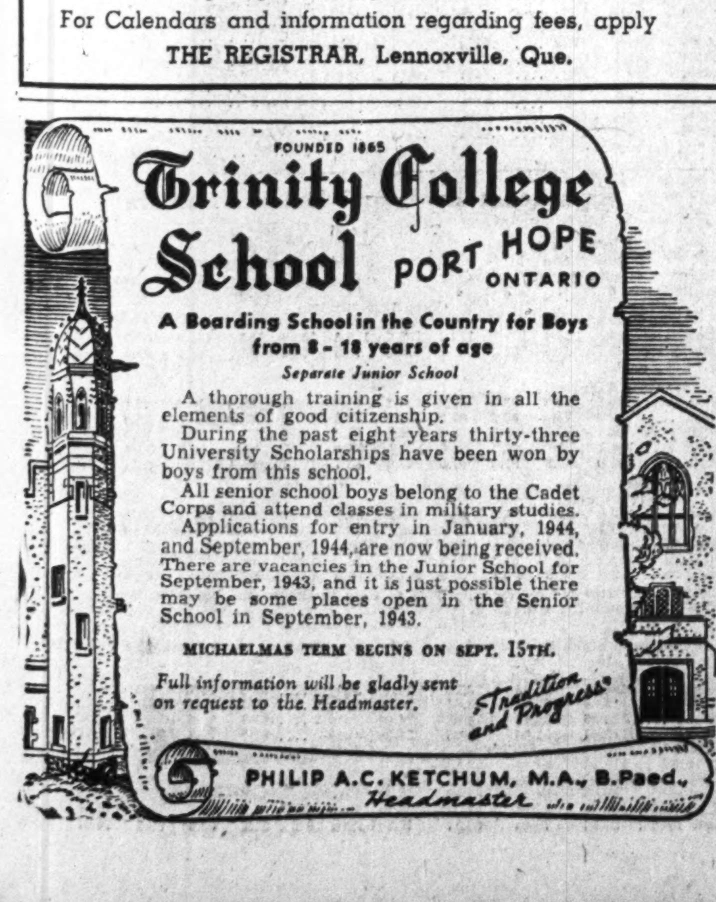
Theological students may qualify for the title of L.S.T. in three years, and for the degree of B.A. in Theology in four years.

Post graduate work is provided for the degrees of:
MASTER OF ARTS — M.A.
MASTER OF EDUCATION — M.Ed.

A summer School for Teachers, of six weeks' duration, is held during July and August.

For Calendars and information regarding fees, apply

THE REGISTRAR, Lennoxville, Que.



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Trinity College School PORT HOPE ONTARIO

A Boarding School in the Country for Boys from 8 - 18 years of age

Separate Junior School

A thorough training is given in all the elements of good citizenship.

During the past eight years thirty-three University Scholarships have been won by boys from this school.

All senior school boys belong to the Cadet Corps and attend classes in military studies.

Applications for entry in January, 1944, and September, 1944, are now being received. There are vacancies in the Junior School for September, 1943, and it is just possible there may be some places open in the Senior School in September, 1943.

MICHAELMAS TERM BEGINS ON SEPT. 15TH.

Full information will be gladly sent on request to the Headmaster.

"Tradition and Progress"

PHILIP A.C. KETCHUM, M.A., B.Paed.,
Headmaster

We Have Been Asked . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Car Allowance

I am a salesman working on commission. I use an automobile regularly in my work, and it is used also for pleasure. Am I allowed any deductions from income for income tax purposes on this account?

You should take up the whole question with the income tax authorities, as each case is decided on its merits. It will be necessary for you to complete a form supplied by the income tax department showing actual car mileage and this form will have to be certified by your company. The usual allowance for business mileage is 4½ cents a mile.

Wife Pays Insurance

My wife is working and has an income of her own but, as her income is from salary, I am taxed as a married man. If my wife pays some of my insurance premiums, can she charge the amount so paid against her compulsory savings?

It is understood that your wife would not be allowed to set off your insurance premiums which she pays against her compulsory savings, because you are not dependent on her. If you were dependent on her, she would be allowed to do so. Service men's wives are permitted to deduct any premiums on their husbands' life insurance they pay. This is done on compassionate grounds and is believed the only case in which this is allowed.

Made No 1941 Return

Although I had a taxable income in 1941, I did not make any return for that year. What had I better do about squaring things with the income tax department?

You should go in and see the income tax inspector in your district and make arrangements to pay the tax owing. Otherwise, if the officials find out you have not paid, they are likely to get tough with you.

INVESTMENTS

Dominion Woollens

Why doesn't Dominion Woollens pay out more in the way of dividends on its preferred and common shares? Is business continuing to hold up or may profits sink back to the pre-war level?

While Dominion Woollens has been earning about twice its preferred dividend requirement of $1.20 a share, distribution has been actually only half the $1.20 a share rate because the company is not certain where it stands on taxation. It is not expected the distribution rate will be increased until the taxation situation becomes clarified.

Production volume in 1942 was one third greater than that of 1941 but output is declining currently due to the labor shortage with some indications reported that it may move still lower. There has been no shortage of wool.

Common stock earnings in 1942 amounted to 58 cents a share compared with 96 cents a share in 1941. With 1943 production running somewhat lower and the margin of profit affected by the tendency of costs to increase, 1943 earnings may register a further decline this year. Profits are still well above the pre-war level, however, and it does not appear likely that there will be any early return to the unprofitable situation which existed back in 1938.

Working capital has been doubled since the end of 1939.

Abitibi Bonds

I am the holder of a substantial amount of Abitibi bonds on which I have been receiving repayments of principal while interest has been allowed to accumulate. I pay no income tax on the principal payments but would like to know what the situation is as regards interest accruals.

Interest on Abitibi bonds will probably be taxed in the year in which the payments are made but income tax authorities point out that the Abitibi situation is a complicated one and that it is difficult to make any definite ruling at this time. If it should be decided to fund the accrued interest by some new form of bond or stock, it appears that the funding issue would also be taxable in the year received by the bond holder.

Falconbridge Nickel

The market price of Falconbridge Nickel Mines has been much stronger recently. Has there been any improvement in the company's position which this may reflect?

Falconbridge Nickel Mines has been doing much better recently. New capacity has been brought into play and it is estimated that nickel production is running in the neighborhood of 25 million lbs. annually compared with a prewar level of approximately 15 million lb.. Increased production, however, will not be reflected in a comparable increase in profits due to sharp increases in the corporation tax and the excess profits tax.

Some dislocation of operations occurred earlier this year when new capacity was being tuned in and possibly earnings for the full year may not exceed the 22 cents a share reported for 1942. The company is being allowed a special write-off due to the wartime character of its expansion and working capital may be gradually increased beyond what might be expected from net profits realized.

A conservative policy has been followed and it is believed the company can now finance most, if not all, of the cost of establishing a refinery in this country should this be desired after the war. At present, International Nickel Co. is refining bulk of the company's output as the company's refinery in Norway was lost shortly after the outbreak of the war.

Union Gas

I have been advised to purchase shares of Union Gas Co. as an investment. Would you give me some details on earnings and operations this past year and current prospects?

With an 18% decrease in gas sales and a $350,248 increase in operating expenses, Union Gas Co. net profits declined in the year ended March 31, 1943, with earnings 36 cents a share compared with $1.04 a share the preceding year.

The company has met reduction in available gas reserves by completion of a plant in Windsor for storage of purchased liquid propane and by construction of a plant in Sarnia for purification and conversion of refinery still gas purchased from Imperial Oil. While these plants allowed essential gas requirements to be met last winter, the cost of gas purchased and operating expenses of new plants meant a major increase in operating expenses.

The company is now allowed a special surcharge on all gas consumed by industrial users in excess of 100,000 cu. ft. This is expected to mean a considerable increase in the Company's revenue.

Working capital was more than doubled last year to $874,043.

ADMINISTRATOR

R. T. Mohan, president of General Foods Ltd., who has been appointed administrator of tea, coffee and spices for WPTB, with headquarters in Toronto.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

Emergency Plumbing Regulations. M. & S. order 17-A, June 7, revokes subsection 6 of section 3 of order 17. Construction Con., J. Schofield.

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Antimony. M. & S. order M.C. 53, June 11, states that no person shall sell, purchase or otherwise acquire any antimony without the written approval of the Metals Controller. Metals Con., G. C. Bateman.

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Neoprene. M. & S. order Rubber 6-B, June 14, amends order Rubber 6-A respecting maximum prices for neoprene. Deputy Rubber Con., J. A. Martin.

• • • •

Gate, Globe, Angle, Check and Cross Valves made of Iron, Brass and Bronze. WPTB order A-784, June 24, revokes the schedule to order A-715 and substitutes a new schedule. Adm. of Plumbing, Heating and Ventilating Equipment and Supplies, E. J. Laidlaw.

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Clothespins. WPTB order A-786, June 25, states that manufacturers may sell clothespins only in cartons of 5 gross and also sets the maximum prices per carton. Adm. of Woodenware and Wooden Containers, E. J. Sutton.

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Jam and Jelly. WPTB order A-787, June 25, sets the maximum prices for manufacturers, wholesale distributors and retailers. Adm. of Processed Fruits and Vegetables, F. D. Mather.

• • • •

Nova Scotia Pulpwood. WPTB order A-790, June 28, sets the maximum consumers' prices for pulpwood cut from the stump in Nova Scotia and revokes order A-139 and amendment order A-338. Timber Adm., A. H. Williamson.

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Saskatchewan Pulpwood. WPTB order A-789, June 28, sets the maximum consumers' prices for pulpwood cut from the stump in Saskatchewan and revokes order A-299. Timber Adm. A. H. Williamson.

• • • •

Bushwood. WPTB order 71, June 28, sets the maximum price per cord at which bushwood may be sold in the Vancouver area and the Lower Fraser Valley in British Columbia. Adm. of Wood Fuel, B. Whalley.

• • • •

Dressing and Dyeing of Fur Skins and Fur Garments. WPTB order A-791., June 29, amends order A-652 respecting the maximum prices for dressing and dyeing of fur skins and garments. Adm. of Fur Skins and Fur Garments, M. Morris.

• • • •

Processed and Preserved Berries and Fruit in B. C. WPTB order A-794, June 29, provides that all processed and preserved strawberries, raspberries, loganberries, black currants or apricots must be sold to the Commodity Prices Stabilization Corp., except under certain specified conditions. Adm. of Processed Fruits and Vegetables, F. D. Mathers.

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Alfalfa Meal. WPTB order A-792, June 30, amends section 3 of order A-648. Adm. of Feeds, F. W. Presant.

• • • •

Ice. WPTB order A-793, June 30, sets the maximum price for ice in the Ottawa-Hull district. Adm. of Foods, K. W. Taylor.

Growing Woodpulp Shortages Cause Tighter U. S. Control

From Our Own Correspondent

MONTREAL.—Continued contraction in the supply of woodpulp has caused United States War Production Board to take over control of virtually all woodpulp usage, including pulp for newsprint manufacture.

The new amendment gives WPB's pulp and paper division power to direct the use of any or all woodpulp by paper mills, paper board producers and manufacturers of other paper products. Hitherto the division has regulated only deliveries and acceptances of pulp.

Full exercise of the new powers will start in August, with pulp allocation to be worked out by the woodpulp allocation committee at its next session on July 19.

Disappearance of some unnecessary types of paper products for the duration was hinted in WPB's notice that it would use the new controls "to restrict or eliminate the use of woodpulp in the manufacture of the less essential papers."

"By withholding of allocations of the scarcer woodpulp grades it will be possible to encourage manufacturers of paper and paper products to use pulps and other fibrous materials which are in relatively greater supply, such as groundwood and waste or reclaimed paper, thus conserving the scarcer grades of woodpulp."

No deliveries of pulp of any grade are permitted without express authority of WPB except shipments which do not exceed one ton a month.

The reserve pool of pulp set up by WPB in May, through instructions to pulp producers to set aside 20% of their output will be continued, it was stated. Pulp from this pool is delivered only at WPB's direction to meet essential or emergency demands.

New Books . . .

When Churchill Travels

ATLANTIC MEETING—by H. V. Morton. Published by S. J. Reginald Saunders. Price $3.

This is the Mr. Morton whose, "In search of —" and "In the steps of —" series have made him the outstanding contemporary travel writer.

Invited by the British Ministry of Information to travel with Churchill on the Prince of Wales when the British and American chieftains met off Newfoundland and produced the Atlantic Charter, Morton had a unique opportunity to switch his art from the historic to the contemporary. Most readers will find this an engrossing, vivid and well-told tale.

He tells almost everything anybody could want to know about the voyage, the ship, its men, what it feels like to ride in a great battleship. He tells what Churchill did, how he worked and played. He recounts superbly the mystery of the departure, the trepidation of the return journey across the Atlantic when Nazi attack was expected constantly.

Two things in particular interested this reviewer.

Morton does not make a single reference to the Prime Minister's alcoholic habits. Not so much as a glass of sherry crossed Churchill's lips throughout the journey, so far as Morton reports, though he does see almost everything else.

The Morton account of Churchill's careful stage-managing of the setting and arrangements for his meetings with Roosevelt reveal a degree of studied showmanship in the Prime Minister that was somehow unexpected.

Altogether the book is a skilfully written and enthrallingly told tale of a history-making voyage.

Behind the Lines

WAR IN THE SUN—by James Lansdale Hodson. Published in Canada by Longmans, Green & Co. Price $4.

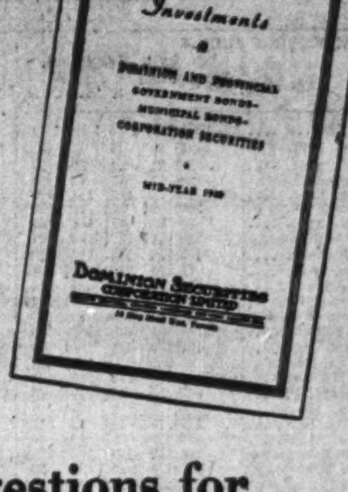
Here is a fat diary of wartime travels in Africa, Syria, India and Burma written by a British author and newspaperman.

This diary is something of a "mopping up" operation. It gives a minimum of information about military activities and presents very little of the cosmic drama of human masses and of individuals which has found its way into other books by war correspondents, or into the columns of periodicals.

Hodson takes the war very seriously, but most of the time he reports his odds and ends about it with a suppressed yawn. He gets into arguments about religion with padres, quotes poems he dashed off for ships' concerts, deplores North American correspondents, voices alarm over indications of what he regards as lack of proper attention to discipline and punctilio in the British.

The interesting part of the book and its real value is that so much of it is devoted to what other books have passed over as inconsequential: life behind the lines, what things cost in the messes, what kind of tents desert troops use, soldier chat and gossip.

The author is 52, has written a novel about the last war and several books about this.



Suggestions for Mid-Year Investment

OUR Mid-Year Booklet of investments is now ready for mailing. It contains a diversified selection of Dominion, Provincial and Corporation securities.

Also included is a short summary of recent Dominion and Provincial financing.

We shall be glad to mail you a copy of this issue on request.

Write, or telephone WAverley 3681

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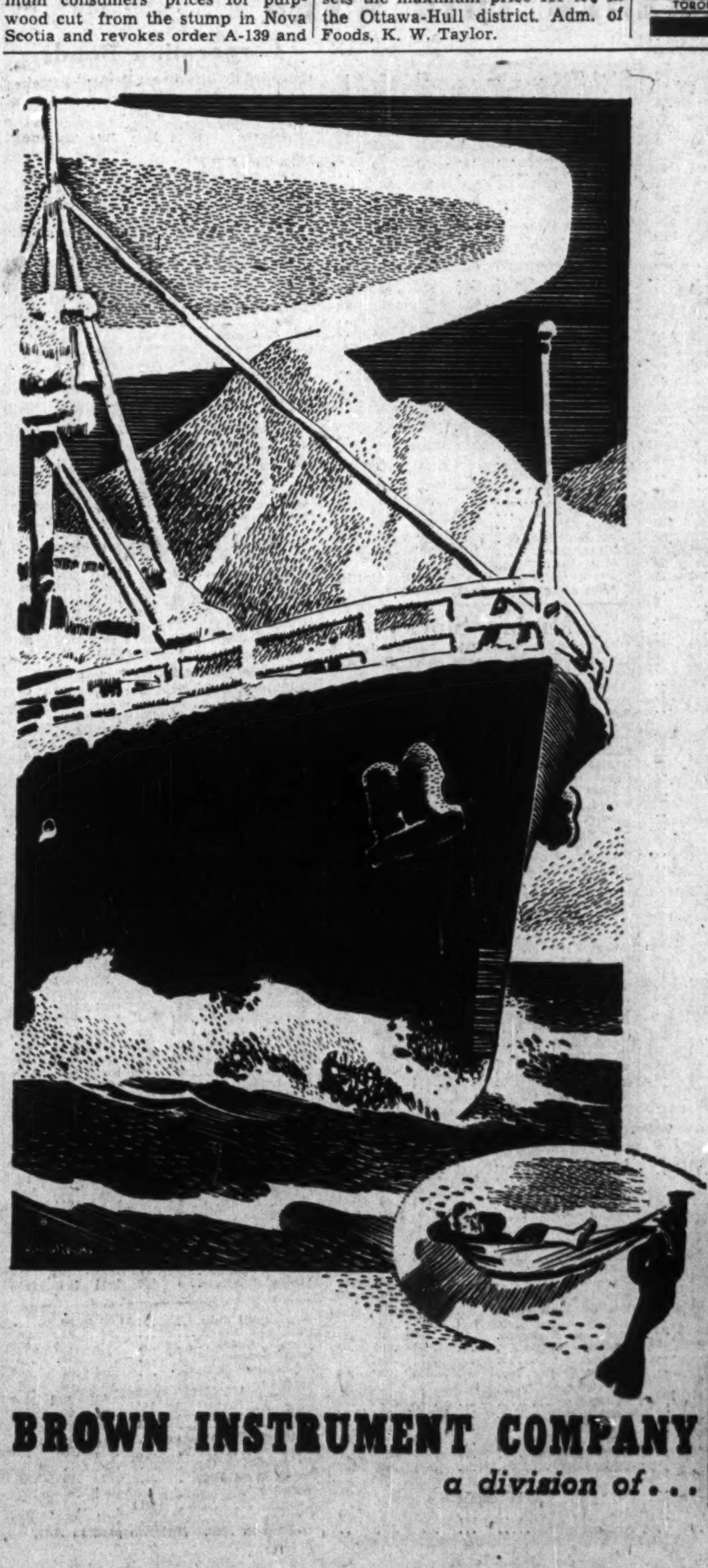

Keeping warm in a Jacket of Ice!

When wintry winds whip northern waves to fury and corvets wear a heavy coat of ice, inside the ships Canadian seamen stay warm and comfortable thanks to Minneapolis-Honeywell Controls.

Regulating temperatures for the Navy is only one of many important jobs M-H Precision Controls are doing today. Highly specialized material of war, for combat. Controls for military and defense housing and essential war industry. Minneapolis-Honeywell and its subsidiary, the Brown Instrument Company, are producing these vital instruments of war in constantly increasing volume.

Side by side with their manufacture goes constant research on controls for peace. Controls for heating and air conditioning and industry, which will introduce a new standard of comfort and economy in Canada and throughout the world when this epic struggle is won.

When you are ready to plan your new home, apartment or industrial building, delegate your control problems to M-H and Brown Engineers. Minneapolis-Honeywell Regulator Company Limited, 117 Peter Street, Toronto.

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MINNEAPOLIS-HONEYWELL
Regulator Company Limited

THE WEEK'S QUOTATIONS

Montreal and Toronto
Week ending Monday close

Winnipeg and Vancouver
Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JULY 5

Range 1943 High	Low	Div Rate $	July 3 Y'ld %		Sales	Last June 28	Week end. July 5 H	L	Cl'se
1.80	.59	.	...	Abitibi	2950	1.60	1.65	1.40	1.40
15½	5	.	...	Do. pref. 6%	1776	14	14	13½	13½
33	12½	.	...	Do. pref. 7%	20	33	32	32	32
14	11¼	.80+.20	7½	Agnew Surp.	20	13	13	13	13
113	110	7	6.2	Do. pref.	10	113	113	113	113
10¾	8	.	...	Algoma Steel c.	200	9¾	10¼	10	10
85	81	5	5.9	Do. pref.	25	85	85	85	85
102½	100	5	4.9	Alum. of Can. p	720	101¾	101¼	100	101
36½	22	2	...	Dom. Engineer.	10	31	30	30	30
26½	20½	1+.35	5.4	Dom. Found. c.	380	24½	25	23½	24½
125	120	5	4	Dom. Glass, c.	10	115	125	125	125
28	24	1.20+.40	6	Dom. Oilcloth	535	28	27½	27½	27½
10¾	8	.	...	Dom. St. & C.B.	287	9½	9½	8½	9½
10¾	5½	.20	...	Dom. Stores	320	10½	10½	10	10½
8½	6	.	...	Dom. Tar & Ch.	1605	8½	8½	8	8½
101½	90½	5.50	5.5	Do. pref.	50	100	101½	100½	101½
81	74	5	6.4	Dom. Textile c.	105	78	78	77½	77½
155	151	7	4.5	Do. pref.	19	153	155	155	155
7½	2	.	...	Dom. Woollens.	3665	7½	7½	7½	7½
14½	8½	.60	4.4	Do. pref.	200	13½	13½	13½	13½
6½	3½	.	...	Donnacona P.	555	6	6	5½	5½
8½	5½	.	...	Dryden Paper	290	8½	8½	8½	8½
1.45	.75	.	...	East Dairies	10	.90	.90	.90	.90
35	14	.	...	Do. pref.	10	28	29	29	29
15	12	1	6.7	East Steel	15	14	15	15	15

Range 1943 High	Low	Div Rate $	July 3 Y'ld %		Sales	Last June 28	Week end. July 5 H	L	Cl'se
6	2½	.	...	Easy Washing	465	5	6	5½	5½
7	3	.	...	Enam. & Heat.	25	5½	5½	5½	5½
5½	3½	.	...	English Elec B.	50	4	4	4	4
4½	2½	.	...	Fairchild Air	210	4½	4½	4	4
26½	21	1.50+.25	7	Fanny Farmer	560	24½	26½	24½	25½
6½	3½	.25†	...	Fleet Aircraft	400	5½	5½	5½	5½
23½	19½	1	4.3	Ford Motor A.	1505	23	23½	22½	22
16	14	1.40	9.2	Foundation Co.	75	15½	15½	15½	15½
18½	12½	.	...	Fraser Cos.	125	18	18	17½	17½
				Do. Vot. Tr.	410	18	18	18	18
9	8	.40	4.6	Silverwoods pf.	20	8½	8½	8½	8½
10	7½	.60+.15	7½	Simon & Sons c	100	10	10	10	10
20	10	.	...	Simpson, A	240	19	20	18	19
12½	3	.	...	Do. (B)	661	11½	12½	11½	12½
102¾	87	6.50+2▲	6½	Do. pref.	11	102	101¾	101¾	101¾
12	10	.80	7.6	So. Can. Pr.	755	10½	11	10½	10½
106	102	6	5.8	Do. pref.	25	104	104½	103	103
3½	1	.	...	St. Law. Corp.	660	2½	2½	2½	2½
14½	11½	1	7.4	Do. (A)	135	13½	13½	13½	13½
44½	32½	3	7.6	St. Law. Pap. p	655	41½	40½	39½	39½
3	1	.	...	St Pav & Mat c	200	2½	2½	2½	2½
5	4½	.40	8	Stand. Radio	390	5	5	4½	5
73	59½	3	4.5	Steel of Canada	356	67	67½	66	67½
[illegible]	66	3	4	Do. pref.	119	74½	75	74½	74½
12¾	10½	.80	6.4	Tamblyn, c	200	12½	12½	12	12½
8½	2½	.	...	Thrift Stores	100	6½	8	8	8

* Participating.
* Interim dividends paid in 1943.
▲ On arrears. † Initial.
▲ Paid in 1942.

Mining Stocks

Week Ending July 5

Range 1943 High	Low	Div. Rate	July 3 Yield	Company	Sales	Last June 28	Week Ending July 5 High	Low	Close
.58	.40	†.03	...	Hard Rock	6,200	.49	.51	.49	.51
.08½	.02	...	...	Harker	2,000	.03½	.03½	.03½	.03½
.48	.37	.08	...	Hedley Mas.	3,000	.41	.42	.42	.42
11.12	8.50	.65	6.3	Hollinger	1,095	10.25	10.50	9.90	10.50
.22½	.17	...	...	Howey Gold	1,525	.21	.22	.20	.20
32.50	26.50	2	6.7	Hudson Bay	624	30.25	30.75	29.87	30.75
.35	.26	...	...	Inspiration	3,500	.32	.30½	.30½	.30½
.01½	.01	...	...	Jacola	1,000	.01	.01	.01	.01
.10	.06	...	...	Jack Waite	1,000	.07½	.07½	.07½	.07½
.23	.12	...	...	Jason Mines	2,520	.22	.28	.17	.17
.03	.01	...	...	Jellicoe	2,000	.03	.02½	.02½	.02½
.02½	.00½	...	...	J. M. Cons.	500	.01½	.01	.01	.01
6.55	4.75	†.17	...	K. Addison	8,893	6.50	6.55	6.40	6.50
.70	.55	†.02	...	Kirkland L.	1,520	.62	.63	.59	.60
.12	.09	...	...	K. Townsite	4,000	.09	.10½	.10	.10
.25	.19	...	...	Kootenay B.	500	.23	.24	.24	.24

Oil Stocks

Range 1943 High	Low	Div.	Yield	Company	Sales	Last	High	Low	Close
.36	.18	...	...	Vulcan	1,600	.25	.28	.23	.25

* Yield including bonus. *Paid in 1942. † Interim paid in 1943.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
July 6	27,900	15,800	489,000	......
July 5	14,500	7,900	413,000	21,560
July 3	11,000	5,200	184,000	4,050
July 2	14,000	9,200	366,000	10,125
July 1	—Holiday—			
June 30	13,100	4,500	411,000	7,478

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

July 6, 1943

%	Due	Bid	Ask.
5	Oct. 1943	101	101½
2	June 1944	100½	101½
1½	Sept. 1944	100	100¾
a2½	Jan. 1944	100	101
4½	Oct. 1944	103½	104½
2½	Nov. 1944	101½	102
a3½	Aug. 1945	100½	101½
4	Oct. 1945	100½	101½
2	Mar. 1945	100¾	101¾
2	Dec. 1946	100	100½
4½	Feb. 1946	106½	107½
2½	Mar. 1948	99¾	100¾
1½	May 1946	99¾	100¾
a2½	Jan. 1948	101½	102½
3½	June 1949	102¾	103¾
3½	Oct. 1949	102½	103½
a3	June 1951	102	103
3½	Nov. 1951	102¾	103¾
3½	Feb. 1952	103¾	104½
4	Oct. 1952	106½	107½
3	Oct. 1952	100¾	101¾
a3	Jan. 1953	103½	104½
3	June 1955	99¾	100¾
a3	Nov. 1956	100	100¾
4½	Nov. 1956	106¾	107¾
4½	Nov. 1957	107¾	108¾
a3	Mar. 1954	100¾	101¾
a3	Jan. 1958	103	104½
3	June 1958	99½	100¾
4½	Nov. 1958	108½	109½
4½	Nov. 1959	109½	110½
a4	Oct. 1960	108¾	109¾
a3½	Jan. 1961	104	105
3½	June 1966	102½	103½
a3e	Jan. 1967	101	102
a3e	Nov. 1968	101	102
†3	Perpetual	94	95½
Dominion Guarant'd Bonds			
Can. Nat'l Railways:			
2½	Jan. 1946	100¾	101¾
3	May 1944	101¼	102¼
3	Dec. 1950	100¾	101¾
3	Jan. 1959	99½	100½
*4½	Sept. 1951	121½	123
*4½	Feb. 1956	125½	126¾
4½	July 1957	126½	127½

%	Due	Bid	Ask.
3	Feb. 1953	100½	101½
*4½	June 1955	127	128½
5	Feb. 1954	117½	119
*5e	July 1969	117¾	119½
5*e	Oct. 1969	126½	128
*5e	Feb. 1970	126½	128
Can. Nat. W. Ind. S. S.:			
5	Mar. 1955	128½	129½
Grand Trunk Pacific Rly.:			
3	Jan. 1962	107½	109½
Provincial Gov't Bonds			
New Brunswick:			
4	Nov. 1947	111½	113½
3	Oct. 1951	97½	99½
3½	Aug. 1949	98¾	100¾
3½	June 1956	99¾	101¾
4½	Apr. 1961	114	116
c5	Jan. 1960	118½	120½
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100½	102½
3½	Nov. 1950	102½	104½
c4½	Sept. 1952	115½	117½
c4½	Nov. 1960	119½	121½
c5	Mar. 1960	123½	126
Ontario:			
2½	May 1945	101	102½
3	Apr. 1945	100½	102½
3	Nov. 1950	100	101½
3½	Nov. 1951	101½	102½
3½	May 1955	101	102½
4	June 1962	119½	121½
4½	June 1950	108½	110½
*4½	Jan. 1962	125	128
5	Oct. 1948	110	111½
*5	Dec. 1960	129	132
*5½	July 1946	107¾	109
Ont. Hydro Commission:			
3	Aug. 1948	100¾	102½
3½	Feb. 1953	100¾	102½
3½	Apr. 1947	103½	105½
Prince Edward Island:			
4	Mar. 1954	101½	103½

%	Due	Bid	Ask.
Quebec:			
3	Nov. 1947	100½	102
3½	Mar. 1948	101	102½
3½	Mar. 1959	100¾	102½
4	Nov. 1952	103½	105½
3½	Feb. 1955	102½	104
4½	Aug. 1958	107	109
4½	Jan. 1963	111½	113½
Alberta:			
4½	Oct. 1956	84½	88
4	Dec. 1954	81½	85
*5	Oct. 1959	85½	89
c5½	Apr. 1952	86½	90½
6	Mar. 1947	85½	88½
British Columbia:			
4	Dec. 1957	115	117
*4½	Jan. 1951	117	119
c4½	Oct. 1953	117	119
c5	Apr. 1954	121	123
5½	Feb. 1945	103	105
6	Feb. 1947	109	111
Manitoba:			
c4	Dec. 1957	109½	112½
c4½	Dec. 1956	114	117
*5	Dec. 1959	118½	121
5½	Oct. 1953	114½	117
6	Apr. 1947	107½	109½
Saskatchewan:			
4	Sept. 1954	93½	96½
4	Nov. 1960	93	96
c4½	Oct. 1951	102	105
c4½	Mar. 1960	99½	102½
5	Aug. 1956	100½	103
5½	Oct. 1952	101	104
6	Mar. 1952	103½	106½

*-Payable Can., N.Y., £. c-Paybale Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. ♦-Calculated to 1954 average maturity. ■-Callable on or after earliest maturity shown and payable at maturity at 101.

Unlisted Mines

Toronto, July 6, 1943

	Bid	Ask
Adnaron	.37	.39
Albany R (new)	.07	.09
Algo Cop	.25	.28
Amal Kir	.11	.13
Amal Lar	.36	.38
Amicmica	.26	.28
Ana'maq'	.12	.13
Area	.13	.14
Arntfield	.01	.02
Athona	.03	.04
Banca	.43	.46
Bar Lard	.05½	.06½
Brengold	..	.01½
Brock	.10	.12
Calder Bo	.06½	.07½
Cen Mani	.02½	.03
Cheminis	.06½	.08
Classic S	.13	.16
Clift Cons	.54	.60
Cock R L	.07½	.08
Columbier	.20	.23
Cons Chib	.05½	..
Conti Tin	.23½	.26
Crowshore	.03½	.06
De Santis (new)	.05½	.07
Dona Pat	.01¾	.02½
Eastward	.13	.15
Electra	.08½	.10
Goodrock	.08	.10
G Lk Iron	.18	.20
Gunflint	.32	.37
Harp Mal	.17	.19
Hayes Cad	.02	.02½
Highridge	.14	.17
Hoyle new	.11	.12
Hugh P P	.05	.07
Ivan Lard	.20	.23
Laguerre	.09	.10
Lk Geneva	.08	.10
Lar-Add	.12	.14
Largold	.33	.36
Magn Con	.34	.37
Majormic	.58½	.63½
Marbenor	.25	.28
Mar Bird	.07½	.08
Mat Cons	.10	.13
Metalore	.28	.31
Mid Iron	.31	.34
Moffatt H (new)	.03½	.04½
Mosher	.09	.11
Moosewoo	.15	.17
McManus	.02	.03
McMarma	.11	.13
Nat Mala	.23	.25
Naybob	.01½	.02
Nick Off	1.00	1.10
Norbeau	.25	..
Norseman	.19	.22
North Tin	.11	.13
Oklend	.03	.04
O'L Malar	.04	.05
Opemiska	.05	.07
Orpit	.03	.04
Pacific R	.70	.75
Pascalis	.26	..
Pelangio	.10	.11
Pontiac R (old)	.13	.15
Pt Coldw	.35	.40
Presdor	.03½	.04½
Propriet	5.50	5.75
Que Mani	.23	.25
Rand Mal	.20	.22
Rebair	.46	.51
Rhyolite	.02½	.03½
Ritoria	.04	.05
Rou D'Or	.12	.14
S.A.G.A.	.20	.23
Sheldon	.17½	.20
Springer	.25	.28
Stadacona	.12	.15
Thomso L	.10	.12
Tom Iron	.65	.72
Tombill	.08	.10
Tovarich	.06½	.07
Tungold	.23	.26
Un Mining	.06	.08
Vic Ore	.38	.43
Wesley	.02	.02½
West Shor	.05½	.07
Y Davidso	.26	.28

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

July 6, 1943

Industrial:	Bid	Ask.
Andian National.	22	24
Anglo C. Tel. A.	8½	9½
Atlas Steels, c.	23	..
Do., pref.	105	108
B. C. Pulp, c.	10½	12
Do., pfd.	72	76
Barrymore Cl., p.	46	..
B. C. Sugar	75	..
B. C. Tel., p.	112½	..
Brown, com.	2½	2¾
Do., 6% pfd.	37	39½
Burns & Co., A.	11	13
Do., B.	6½	7½
Canada Tea, p.	30	..
Can. Indust., A	162	..
Can. Mach., c.	7	9½
Can. Ing. Rand.	61	..
Can. Mot. L.A.B.	9½	..
Cap. W. Cloth	5½	..
Do., pref.	17½	21
Col. Realty	3½	..
Chase, A. W., p.	16½	..
Colonial Steam.	68	72
Copeland F. un.	15	17
Corr. Box, c.	3½	..
Dover Ind.	7	9
Dunlop T. p. $25	23	26
Fed. Grain	3¾	4¾
Do., pref.	83½	87
Galt Brass, c.	10	12
Goderich Elev.	10	..
Guard. Realty, p.	17	19
Guelph Carpet, c.	15	..
Gurney Fdy., p.	1½	..
Hart Battery	5½	..
Hayes Steel, c.	15½	..
High. Dairy, pf.	..	45
Inglis, John	8	..
Ingram & Bell, p.	90	..
Kingst. Ship., c.	12½	..
Loblaw Inc., c.	12	13½

	Bid	Ask.
Minn. & Ont. p.c.	8	9
Mt. Royal Htl. c.	3	..
M'row Screw, p.	100	..
Do., com.	15½	..
Moirs, pfd.	40	..
Morrison Br. un.	8	..
Neilson, Wm., c.	11	..
Do., p.	101	..
N. Meth. Ldy. p.	75	..
Ont. Tobacco, p.	15½	..
Prov. Paper, p.	90	..
River. Silk, B.	2½	..
Stand. Fuel, p.	53½	..
Stedman, pf. $50	54½	57½
Sutton Horsley	..	1½
Tor. Carpet, c.	69	..
Do., pref.	68	..
Un. Steel, A, pf.	23	24½
Viceroy Mfg., c.	12½	..
Do., pref.	21½	25
West. Grain, un	37	..
Trust & Loan Stocks:		
British Mtge.	117	..
Brockville Tr.	44	..
Capital Trust	28	..
Comm. Fin., c.	7½	..
Grey B. Tr. $50	45	..
Guaranty Trust	100	..
Guelph & O. $50	48	..
Indust. Mtge.	25	30
Lambton Loan	34	..
Lond. & W. Trust	34½	37½
Midland Loan	14	..
Premier Trust	31	..
Sherbrooke Tr.	120	..
Sterling Trust	55	..
Trusts & Guar.	35	..
Victoria Trust	66	..
Waterloo Trust	100	..
Insurance Stocks:		
Brit. Amer.	52	..

	Bid	Ask.
Canadian Fire	74	..
Canada Life	330	..
Confed. 30% pd.	130	..
Continental L.	27	32
Crown Life	250	..
Dominion Fire	135	..
D. of Can. Gen.	125	..
Dom. Life	175	..
Empire, 25% pd.	6	7½
Excelsior 40% pd.	73	..
Great-West Life	238	..
Halifax Fire	13	14½
Imperial Life	250	270
Manufac. Life	220	245
Monarch Life	34	37
National Life	8	10
Sov. L. 25% pd.	13½	..
Sun Life	317	340
Tor. General	4½	5½
Western Assce.	41	..
Do., pref.	41	..
Western Life	12	13
Investment Trust Shares:		
Inv. Found. un.	44½	..
Sec's Hold., pf.	18½	..
Th. Can. Inv. Th.	3	..
Theatre Stocks:		
Allen's St. Cath. units	85	..
Do., Kingston	65	..
Do., Toronto, p.	38½	..
Mansf. Theat., p.	62	..
Para. Kitch., p.	50	..
Do., Oshawa, c.	10	..
Do., Oshawa, p.	83	..
Power Issues:		
Can. W. N. Gas	28	..
Do., pfd.	103	..
Gt. Lakes Pr., p.	102	..
Mtl. Isl. Pwr., p.	45	..

Oil Royalties

Producing Wells — Prices and Payments

	May daily quota bbls.§	Mar. 15 daily quota bbls.§	Feb. pay. 1% $	Mar. pay. 1% $	April pay. 1% $	Total to Apr. 30 1% $	Offering price* per 1% $
Ace No. 1 gross	385	386	166.41	169.40	166.30	†4,689.44	....
Alta. Oil Inc. No. 1 gr.	65	65	27.60	37.20	28.40	3,738.40	1,100
Do., No. 1 net	65	65	21.60	29.20	74.80	†4,169.60	900
Do., No. 2 gr.	325	389	152.00	140.00	138.80	4,968.80	4,700
Do., No. 2 net	325	380	107.20	97.20	121.20	6,495.40	3,800
Allied No. 1 pfd.	93	93	32.50	41.36	35.05	†1,639.06	1,300
Arrow No. 1 net	120	135	42.00	39.00	36.00	†922.15	1,300
Do., No. 2 net	150	170	54.00	52.00	49.00	†1,721.20	1,700
Atlas-Br. D. No. 2 pfd.	420	450	213.20	158.00	218.80	......	4,800
Atlas-Br. D. No. 3 pfd.	400	430	....	....	....	......	4,900
East Crest No. 5	115	115	46.40	52.50	57.20	597.60	1,400
Independent No. 1 pfd.	200	200	88.17	94.57	107.60	......	2,800
Do., No. 1 gr.	200	200	74.67	81.88	95.49	†2,458.13	3,600
Major Oil No. 1 pfd.	95	95	48.40	45.20	140.40	†844.40	1,300
Do., No. 1 gr.	95	95	49.20	51.20	48.40	1,806.20	1,300
Do., No. 2 net	320	350	120.00	108.00	138.00	5,184.80	4,200
Do., No. 2 gr.	320	350	178.00	150.80	156.00	6,756.00	5,100
Do., No. 3 net	550	588	215.20	214.40	252.00	7,188.00	7,200
Do., No. 3 gr.	550	588	292.80	291.20	264.00	......	9,800
Do., No. 4 net	100	125	49.20	....	54.00	......	1,700
Do., No. 4 gr.	100	125	55.20		56.00	......	....
Do., No. 7 pfd.	450	500	226.80	227.60	298.40	1,810.80	7,000
Do., No. 7 dfd.	450	500	....	....	....	......	3,500
Do., No. 7 gr.	450	500	202.40	213.20	216.00	2,382.40	....
Do., No. 8 pfd.	165	225	98.80	116.00	99.60	741.60	3,100
Do., No. 8 gr.	165	225	91.20	104.80	80.40	1,186.40	....
Do., No. 8 dfd.	165	225					1,300
Do., No. 9 gr.	320	320	134.00	129.60	160.40	1,737.80	3,600
Do., No. 9 pfd.	320	320	159.60	143.60	184.80	†375.60	5,000
Do., No. 9 dfd.	320	320	....	....	....	......	1,400
Miracle No. 1 net	300	300	90.12	107.96	79.15	†5,121.62	3,000
Do., No. 1 gr.	300	300	129.20	148.61	112.40	†5,253.23	....
Do., No. 2 pfd.	160	200	91.16	87.04	119.86	......	2,800
Do., No. 2 gr.	160	200	82.80	75.86	108.40	†1,201.58	3,800
Miracle No. 3 pfd.	...	...	....	....	....	......	2,700
Do., No. 3 gr.	...	...	....	....	....	......	5,800
National Vulcan	...	...	....	....	....	......	2,900

*Approximately 25% over dealers' bid price.
§ Approximate. †To March 31 only.

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	July 5 Bid	Ask
Acme Glove	...	7½	..	7½
Do., pref.	6.50	70	71	..
Amal. Electric	.60	8½	..	9
Amer. Cyn. (B)	.60	37	33	..
Ang. Can. Tel. p.	2.75	45½	45	..
Assoc. Brew. pf.	7	110½	110½	..
Assoc. T. & T.A., c.	...	1.00	1.00	..
Ault & Wiborg, pf.	5.50	103	103½	..
Barber Ellis	25	8½	6	..
Barker's Bread	...	1.75	2.00	2.50
Do., pref.	...	28	26	28
Beath & Sons	.80	9	6½	8
Beatty Bros., B	...	10	10	..
Do., 2nd, pf.	7	112½	113½	..
Beaver Lumber	...	5	5	..
Do., pref.	...	110	109	..
Belding Cort.	4+2	85	84	86
Do., pref.	7	120	116	..
Bertram & Sons.	.30+.10	8	9	10
Biltmore Hats	.60	8	8	9
Blue Ribbon, c.	...	7	7	7½
Blue Top Br. (A)	.60	12	12½	..
Do. (B)	...	12	13	..
Brand, Hender.	...	3	4	8
Brew & Distil.	.50+.10	6½	6¾	7
Bright, T. G.	...	6½	5	6½
Do., pref.	6	92	90	..
Caldwell Linen	†.25	5	5	..
Do., 1st pref.	1.50	23½	23	..
Do., 2nd pref.	.80	10½	10	11
Canada Bread, pf.	6	102	103	104
Do., pref. (B)	2.50	50	43½	53
Can. Cr. Stone	.40	5	4¾	..
Canada Cycle, p.	5	105½	105½	..
Can. Forg. (B)	▲1.50	43	40	42
Can. Iron	...	69	..	70
Do., pref.	6	80	..	95
Can. Starch	.50	9	8	..
Do., pref.	7	110	110½	..
Can. Vinegars	.40+.10	8	8	..
Can. W. Cable	4	61	62	62½
Do. (B)	.50*	20	17½	19¾
Can. Bronze, pf.	5	108	108	..
Can. Celanese, rgts.	1	22½	22	..
Can. Fairb., pf.	6	101	103	..
Canadian Fire	4	71	70	..
Can For. Inv., pf.	8	105	105	..
Can. Gen. Elec.	8	205	199	..
Can. G. Inv.	.50+.12½	9½	9½	..
Can. Gen. Secs. (A)	...	6½	5½	..
Do. (B)	...	6½	5½	..
Can. Indust. B pf.	7	165	165½	..
Can. Int. I. Tr.	...	25	50	90
Do., pref.	2	50	52	..
Can. Lt. & Pr.	1	15½	14½	16
Can. Tube & Stl.	...	6	..	..
Do., pref.	1.75*	105	..	..
Do., 2n dpf.	...	7	..	..
Can. Wallpaper (A)	1	10	11	..
Do. (B)	1	10	11	..
C. Wire Box	1.50+.50	17½	17	19½
Carnation, pfd.	4	116¾	115½	..
Catelli Food	...	10½	10	12
Do., pref.	.75	13½	13½	13¾
Cent. Can. L'n.	8	135	125	137½
Chart Trust	4	85	75	88
City Gas & El.	...	.30	.25	.40
Claude Neon	...	.07	.10	.15
Coll. Terminal	.25	4¾	5¾	6
Do., pref.	.25	5½	5¾	6
Conduits Nat.	.25*	4	4	4½
Cons. Bakeries	.80	13¾	13½	..
Cons. Div. Sec.	...	.30	.25	.35
Do., pref.	.75	9½	10	12
Cons. Press	...	6	5	6
Cons. Sand., pf.	4	78	71	78
Corr. P. Box, p.	7+7▲	78	..	..
Crown Cork	2	27	29	30
Crown Dom. Oil	...	1.25	1.25	..
Crow's N. Coal	3	38½	37	37½
Dairy Corp.	...	4	3½	4
Do., pref.	†1.25	40	38	40
David & Fre. (A)	1+.15	15½	15	16
Do. (B)	...	2½	2½	3
de Havilland	...	5	5½	8
Do., pref.	7+3.50▲	90	80	90
Disher Steel	...	1.25	1.00	1.25
Do., pref.	...	10	10	11
Dom. Ang. Inv.	4	23	25	..
Do., pref.	5	75	77	..
Dom. Envelope	...	7½	5	7½
Do., pref.	...	80	100	..
Dom. Fabrics	.80*	9½	9½	10
Do., pref.	3	..	62	..
Do., 2nd prfe.	1.50	22½	22	23
Dom. Foundries, pf.	6	107	106½	110
Dom. Glass, pf.	7	154	154	..
Dom. Scot. Inv.	...	1.00	.45	2.00
Do., pref.	1.50*	30	31	33
Dom. Square	...	2¾	2¾	..
East Koot. Pr.	...	.50	.50	..
Do., pref.	...	13	13	14
East. Theat.	▲.50	6½	6½	..
Economic Inv.	1.27½	29	28½	30
Electrolux	...	8½	8¾	..
English Elect. (A)	.87*	24	..	24
Equitable Life	.15	6	6	6½
Fam. Players	1.50	23½	24	..
Federal Fire	2.50+.50	%	51	..
Federal Grain	2▲	90½	..	..
Fleury Bissell	...	.75	.50	1.00

	Div. rate $	Last sale	July 5 Bid	Ask
Do., pref.	...	18	18	20
Ford Motor (B)	1	22½	21½	24½
For. Pr. Secs.	...	.50	.35	.75
Freiman	...	1.00	2.00	..
Do., pref.	6	65¾	75	..
Gt. Lks Pap vot. tr. c.	...	4¾	4½	5
Gt. West Life	.15	240	235	..
Greening Wire	.60	11¾	10¾	11½
Halifax Fire	.80	13½	14	..
Ham. Cot., pf.	2	33	32½	34
Ham. U. Theat.	...	1.00	1.85	3.25
Do., pref.	5	97	97	100
Hillcrest Coll.	...	1.00	.65	1.00
Holt Renfrew	...	8	5	..
Do., pref.	...	93	..	95
Home Inv. pt. certs	...	10	10	..
Humberstone S.	.50	9	8½	..
Huron & E. Mt.	4	62	62	70
Imperial Life	15	..	..	274
Imperial Tob. pf.	6%	7½	6¾	..
Imp. Varnish, c.	.50+.10	8½	8½	9½
Indust. Accept. pf.	5	90	89	95
Inter-City Bak.	3+1	47	42	49
Inter'c Coal	4	40	..	50
Do., pref.	8	125	125	..
Int. Coal & Co.	.03	.33	.30	.30
Int. Metal Ind. pf. A	6	94	94	95
Int. Mill, pf.	5	115	113½	..
Int. Paints	...	3½	3	3½
Do., pref.	1+.50▲	18	16½	19
Int. Pap. & P.	...	13¾	..	..
Do., pref.	5	63½	..	..
Jam. Pub. Ser.	.68	11	11	12
Do., pref.	7	101	101	..
Lake of Woods, pf.	7	126	126	130
Landed Bank	4	55	54	65
Lang, J. A.	.70+.30	15	14½	15
Langley's pf.	3	27	26	30
Legare, pref.	...	10½	10½	12
Levy Bros.	.10*	3	3	..
Lindsay, C. W.	...	7½	..	8
Do., pref.	2	55	..	..
Mackenzie Air	...	100	..	..
Maclaren Pr.	1	18½	18½	18½
M. L. Gardens	...	6½	6½	8¾
Do., pref.	.40	6½	6¾	7½
Maritime Tele.	.70	15	15	..
Do., pref.	.70	17	17	..
Marcus Loew's	...	25	30	..
Do., pref.	7	100	101	..
Melchers, c.	...	1.75	1.50	1.75
Mitchell, J. S.	2.50	44	40	..
Mod. Contain.	1.20	15	15¾	18
Do., pref.	5.50	92½	92½	97
Monarch Knit	...	3	3½	6
Do., pref.	7	75	70½	74
Monarch Life	12%	33	32	..
Montreal Cot. pf.	7	125	125	..
Mont. Is. Pr.	...	20	30	1.00
Mont. L. & Pr. Notes	3%	50½	50½	...
Mtl. Refrig. & S.	...	.75	.75	..
Do., pref.	1.25	22½	22½	..
Montreal Tele.	*1.82	27	28½	..
Montreal Trams	...	30	30	32
Moore Corp. pf. (A)	7	187	183	189
Do., pref. (B)	7	276	..	..
Muirheads	...	.50	.50	.60
Do., pref.	...	1	4¾	..
Murphy Paint	.80	11	..	12
Do., pref.	5.50	..	98¾	..
Nat. Breweries, pf.	1.75	39½	38½	40
N. Sew. Pipe (A)	...	19	18	..
National Tr.	8	156	153	156
Niag. W. Weav.	.50*	18	..	17½
Noorduyn Av.	...	6½	5½	6½
North Star Oil, pf.	.35	4½	4	4½
Nor. Can. Mtge.	...	6	6½	8½
Nor. Trusts	...	10	10	12
N.S.L. & Pr., c.	6	80	80	..
Ogilvie Flour, pf.	7	160	..	..
Ontario Loan	5	105	105	106½
Ont. Silknit	...	1.00	..	1.50
Do., pref.	3	35	34½	43
Ont. Steel, pf.	7	120	..	..
Ott. Car Air	...	5¾	5½	..
Ott. L.H. & Pr.	.80	8½	7½	8½
Do., pref.	5	85	83	87
Pacific Coyle	.03	.30	.30	..
Page Hersey	5	99	99	..
Paton Mfg.	1*	55	50½	..
Do., pref.	7	119	112	..
Penmans	3	52	52½	70
Do., pref.	6	126	126	..
People's Cr. Sec.	.25	5	3½	5
Que. Telephone	...	4	4	..
Real Estate L'n.	2	30	28	33
Regent Knit, c.	...	9½	9	9½
Reliance Grain, c.	...	16	..	..
Rolland Pap., pf.	6	97	92	..
Russell Indust.	.80	18	18	..
Do., pref.	7	175	175	180
Sangamo	15*	15	15	35
Sarnia Br. (B)	...	3	2½	3½
Scythes & Co.	1+.50	14½	16	19½
Do., pref.	1.75	25	25	..
Sher. Wms. pf.	7	124	118	..
Silverwoods, c.	.40	10	9¾	10½
Simon & Sons, pf.	7	104	105	...
St. Law. Flour	1.40+.50	30	30	..
Do., pref.	7	120	120	..
Stand. Chem.	1.25*	19	19	19½

	Div. rate $	Last sale	July 5 Bid	Ask
Stand Clay	...	5½	3	10
St. Pav. & Mat pf.	.62½	9½	9½	10
Stedman Bros.	.60+.60	22	20	22
Sterling Coal	...	3¾	4½	5
Stop & Shop	...	.25	.25	1.00
Stuart, D. A., pf.	.80+.25	12½	12½	14
Supersilk H. A.	...	3½	3	3½
Do. (B)	...	3	3½	..
Do., pref.	5	80	80	..
Sup. Pete. Ord.	1	23	23½	..
Do., com.	1	23	23	28
Tamblyn, pf.	2.50	52½	52½	53
Thayers	...	1.25	1.25	..
Do., pref.	2	20	23	29
Tip Top Tailors, pf.	7	104	103	..
Tooke Bros.	...	1½	1½	..
Do., pref.	...	25	22	25
Toronto Gen. Tr.	4	76	76	90
Traders Bldg.	▲4	46½	46	..
Traders Fin. (A) rts.	1	8½	9½	..
Tuckett Tob. p.	7	154	151½	..
Twin City	...	9½	8½	9½
Un. Amuse. (A)	.80	13	16	..
Do. (B)	.80	13½	16	..
United Corp. (A)	1.50	25	25½	29
United Fuel (B)	...	5	5	5½
Viau Bisc., pf.	5	60	55	..
Wellington Fire	2.50+1	..	58	..
W. Koot. Pr., p.	7	136	115	..
West. Breweries	.15	4	4½	..
West Grain, pfd.	...	25	..	..
West Grocers	3+2	75	72	..
Do., pref.	7	120	116	..
Western Steel	▲.50	13	13¾	16
Woods Mfg., pf.	...	85	85	..
York Knitting, c.	.40	6	6	8
Zellers, pref.	1.50	26½	26	..

*Interim dividends paid in 1943.
▲Paid in 1942. ▲On arrears. †Initial.
*Net after corporate income tax.

Mining Stocks

	Div. rate $	Last sale	July 5 Bid	Ask
Amm. Gold	...	.01¾	..	..
Anglo-Huronian	.20	4.40	..	4.25
Arno	...	.03	.01½	.02½
Ashley	...	.02	.03	.05½
Bayonne	...	.05	.04½	.06
Beaufor	...	.03	.03½	.06
Brazil Gold	...	.01	.01	.02
Brett Trethewey	...	.00½	.00¾	.01
Bulolo Gold	...	17.00	16.25	17.00
Camp Bird	...	.07	.05	..
Cartier Malartic	...	.01¾	.01½	.02½
Castle Trethewey	...	.85	..	..
Cent. Manitoba	...	.03	.02½	.03
Century Mining	...	.02½	.04	.07
Denison Nickel	...	.04	.04	.04½
Forty-Four	...	.35	.30	.40
George Copper	...	.16	.17½	..
Golconda	...	.05½	.04½	.05½
Graham Bosquet	...	.02½	.01¾	.03½
Grandora	...	.05½	.05½	.06½
Great Falls M.	...	.03½	.02	.03¾
Hallnor Mines	.40	3.00	2.50	3.10
Hasaga	...	.25	.20	.30
Home Gold	...	.00¾	.00¾	.00½
Indian Mines	...	.01½	..	..
Island Mountain	†.05	.73	.73	.75
Joliet Quebec	...	.02½	.02¾	.03
Kerr Lake	...	.10	.12	..
Kirk. Gold Rand	...	.06	.05	.06
Kirk. Hud. Bay	...	.27	.30	.32
Mna. & Eastern	...	.01½	.01	.02
McGillivray C.	▲.02	.21	.20	.22
McVittie Graham	...	.05	.06	.06½
Mentor Exploration	...	.20	..	..
Minto Gold	...	.01¾	.01¾	.02½
Nor. Canada	...	.20	.19½	..
Norgold	...	.03	.02¾	.04
Northern Empire	▲.30	2.00	..	2.10
Pacific Nickel	...	.10	.08	.11
Pandora	...	.04½	.04	.05½
Pato Cons. G.	†.15	2.70	2.50	2.85
Placer Devel.	†.25	9.00	..	10.00
Prospectors Air's	...	.23	.23	..
Quatsino	...	.02½	.02½	.03
Quebec Gold	†.02	.21	.20	.22
Quemont	...	.05	.08	..
Red Crest	...	.04	.03	.04½
Reeves McDonald.	...	.30	.30	.35
Silbak Prem.	†.11	.80	.70	..
Sturgeon River	...	.13	.12	.13½
Sudbury Contact	...	.03½	.02½	.03¾
Sunlock	...	.07	.10	..
Taylor Bridge	...	.05	.03	.05
Toburn Gold	†.02	.70	.68	.70
Towagmac	...	.14	.13	.14
Uchi Bonds	...	40.00	38.00	40.00
Wellington	...	.01	..	.01
Winnipeg R. Tin	...	.01½	.00¾	.01
Wood Cadillac	...	.00½	.00½	..
Ymir Girl	...	.08½	.08½	.08½

Oil Stocks

	Div. rate $	Last sale	July 5 Bid	Ask
Alta. Pac. Cons.	...	.14	.13	.15
Amalgamated	...	.07	.09½	..

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 6, 1943

Public Utility Issues:	Int. Rate %	Due	Bd July 6	Ask. July 6	Bid June 29
▲Alg. Cen. H.R.H.	5	'59	36½	39½	37
†Assoc. Tel. & T.	5½	'55	88½	91½	88
B. C. Power	4½	'60	101½	103½	101½
B. C. Tel.	4½	'61	106½	108½	106½
†Calgary Pwr.	5	'60	111	113	111
Do.	5	'64	105½	108	105½
†Can. Nor. Pwr.	5	'53	108	110	107½
*Dom. Gas & El.	6½	'45	110½	113	110½
Gatineau Pwr.	5	'49	102	104½	102
*Do., A	3¾	'69	106½	108½	106½
♦Do., B	3¾	'69	101½	103½	101½
Gt. Lakes Pwr.	4½	'56	101½	104	101½
Do.	5	'57	101	104	101
*Int. Hydro-El.	6	'44	72	75	73½
▲Inter. Power	6	'55	103	..	103
L. St. Law. Pwr.	5	'55	101	103½	101
Macl'n-Que. Pr.	4	'59	103	105½	103
Mtl. L. H. & Pr.	3½	'56	103½	106	103½
Do.	3½	'73	102	104½	102
Do.	3½	'63	102	104½	102
†Mtl. Tramways	5	'51	104	106	104
†Do.	5	'55	91½	93½	91
N. S. Lt. Pr.	4	'57	102	..	102
Ottawa L.H.&P.	4	'57	102½	105½	102½
Ottawa V. Pwr.	5	'59	102	105	102
†Power Corp.	4½	'59	100	102½	100
Quebec Pwr.	4	'62	102½	105	102½
*Saguenay P., A	♦4½	'66	114	116½	114
♦Do., B	4½	'66	106	108½	106
St. Maurice Pr.	4½	'70	104	106½	104
Shaw. W. & Pr.	4	'61	104	106½	104
†Do.	4½	'70	143	115½	112½
Do.	4	'69	104	106½	104
Union Gas	4½	'50	101	104	101
†Twin C. R. Tr.	5½	'52	99½	102½	99
†United Secs.	3	'52	95½	98½	95½
‡Wpg. El., ser. A	5	'65	96½	99½	96
Do., B	5	'65	91½	94½	91
Industries and Realty Issues:					
†Abitibi P. & P.	5	'53	70½	73½	69½
Do., C.O.D.	5	'53	69½	72½	68½
Acadia Sugar	4½	'55	101	104	101
Do.	6	'54	99½	102½	99½
†Alta. Pac. Grain	6	'46	105½	..	105½
Algoma Steel	5	'48	103½	106	103½
Atlantic Sugar	4	'51	101	104	101
†B. C. Pulp & P.	6	'50	96	99	96
Do.‡†	7	'50	79	82	79
Brown Co.	5	'59	83	86	82½
Burns & Co.	5	'58	85	88	84
Canada Cement.	4½	'51	103	105½	103
Canada Electric.	4½	'65	97	100	97
Can. Paper	4½	'52	100	103	100
Can. Steamship	5	'57	104½	107	104½
Can. Canners	4	'51	102½	105½	102½
*Can. Int. Paper	6	'49	108	110	108
‡Can. Locomotive	6	'53	101	..	100½
‡†Candn. Vickers	6	'47	102½	105	102½
C. P. R.	3½	'51	101	103	101
Do.	4	'49	103½	105½	103½
Col. Steamships.	6	'54	102	105	102
†Consol. Paper	5½	'61	79½	82½	79
Dom. Coal	4½	'52	100	103	100
Dom. Scott. Inv.	4	'52	100½	103½	100½
Dom. Stl. & C.	6½	'55	105	107½	105
Dom. Tar	4½	'51	103	105½	103
Dom. Woollens.	6	'53	98½	101½	99
†Donnacona Pap.	4½	'56	84½	87½	85
*Dryden Pap.	6	'49	105	107	105
†East. Dairies	6	'49	92	95	91½
Famous Players.	4½	'51	103½	105½	103½
†Federal Grain	6	'49	106½	..	106½
†Fraser Cos.	6	'50	103½	..	103½
Galt Brass	5	'50	96	99	96
Gen. Stl. Wares	4½	'52	103	105½	103
*Great L. Paper	5	'55	97	100	96½
*Gurney Fdry	5½	'49	94	97	94
†Gypsum Lime	5½	'48	104	107	104½
Ham. By-Pr. C.	5	'55	102	104½	102
Do.	6	'56	101½	104½	101½
Ham. Cotton	4½	'50	99½	102	99½
Inter-City Bak.	5½	'48	102½	105	102½
Indust. Accept.	4	'52	94	97	94
Ins. Ex. Bldg.	3	'51	56½	59½	56½
*Inter. P. Nfld.	5	'68	101½	104	101½

Brown Oil debs.	...	25.00	25.00	..
Common. Pete.	...	.24	.21	.29
Grease Creek	...	.01	.01½	.03½
High Sarcee	...	.16	.11	.15
Homestead O. & G.	...	.04½	.04	.04½
Madison	...	.03	.03	.03
Marjon	...	.00¾	.00¾	.00¾
Mercury	...	.06½	.06½	.07½
Mill City	†.03	.07	.06½	..
National Petroleum	...	.07½	.06½	..
Nordon	...	.05½	.05	..
Petrol Oil & Gas	...	.25	..	..
South West Pete.	...	.20	.30	.35
Spooner	...	.08¾	.07	.10
Sunset	†.01½	.08	.08	..
Vanalta	...	.07½	.07½	.08½

▲Paid in 1942. †Interim paid in 1943.

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

July 6, 1943

Miscellaneous Stocks:	Bid	Ask.
Allens Lond. Thea., pfd.	54	..
Atlas Steels, 7% 2nd pf.	106	108
Brantford Roofing, c.	2½	..
Can. Co-op. Wool.	9	..
Can. Fairbanks, com.	23	..
*Can. Gen. Rubber, pfd.	..	21
Can. Paving 1st pfd.	1½	..
Can. West. Lumber, c.	.25	.45
Cawthra Apts. pfd.	3½	..
Claude Neon 7% pfd.	4½	5½
Commer. Life 10% pd.	6	..
Copland Brewing	.90	..
Dubuisson Gold.	.14	.17
Eastern Steel 5% pref.	20½	21½
†Easy Wash. 7% pref.	9¾	11
Fed. Fdries & Steel c.	.17	.30
Franco Oils	.29	.35
Highland Dairy, c.	1	..
Insce. Exch. Bldg. c.	1	1½
McCuaig Red Lake	.03	..
Milton Brick, com.	.10	.20
Monarch Mtge. units	1½	..
Nat. Hosiery com.	1	..
Do., pref.	1.05	..
†Nor. Amer. Elev. 1st pf.	85	..
Do., 2nd pref.	27	..
Do., com.	..	1
Nor. Telephone, c.	1½	..
Numaque Mining	.05	..
Que. Pulp & Paper pfd.	24	26½
Ritchie Cut Stone pfd.	1	4
P. L. Robertson Mfg. c.	20	..
Do., $2.50 pfd.	43	45½
Sawyer-Massey com.	1	2
St. John Dryd. 5½% pf.	96½	100
Sincennes McN. com.	2	..
Un. Farmers Co-op.	3½	4
Waterloo Mfg.	6½	7¾
Windsor Hotel com.	3	4
York Trading, com.	3½	4½

*Issue carries arrears.
†Currently paying on arrears.

Municipal Bonds

July 6, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.95
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.97
†Quebec	5	1959	113.75	116.75	3.62
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1955	119.00	122.00	3.35
†Vancouver.	5	1970	114.00	117.00	4.00
Winnipeg.	5	1944	100.00	102.25	1.96

†Payable Can. & N.Y. *Flat

Corporation Bonds (Cont'd)

*Inv. Bond & Sh.	5	'47	43	46	43
†Kingston Elev.	6	'50	104	106½	104
Lake St. J. P.	5½	'61	93½	96½	93½
Do.	5	'61	72½	75½	71
Legare	6	'61	93	96	93
Maple L. M.	3	'57	100	102½	100
Man. Sugar	5	'60	103½	105½	103½
Massey-Harris	4½	'54	101	103½	101
McColl-Fron.	4½	'49	102½	105	102½
McCormicks	4	'52	99	102	99½
Do.	4½	'52	102	105½	102
Mercury Mills	5	'59	100½	103	100½
Mersey Paper	5	'57	95½	98½	95½
†Do.	6	'49	96	99	96
*M. & O. Paper	5	'60	104	..	103
Moirs Ltd.	6	'53	85	..	85
‡Mtrl. Drydocks	6	'48	94½	97½	94
Montreal Apts.	4	'54	54	57	54
N. S. Stl. Coal	3½	'63	83½	86½	83½
Price Bros.	5	'57	99½	102	99½
Do.	4	'57	89½	92½	89½
*Prov. Paper	5½	'47	104	..	104
Reliance Grain	4½	'52	100	103	100
†Restigouche Co.	6	'48	103½	..	103½
Rolland Paper	4½	'51	101½	103½	101½
Ruddy, E. L.	6½	'48	94	97	94
Silv. Dairies	6	'66	98	101	98
Simpsons, Ltd.	4½	'51	103	105	103
Smith, Howard	4½	'51	102½	104½	102½
Stand. Lime	6	'44	99	102	99
Sterling Coal	6	'45	99	102	99
Stop Shop	3	'47	75	78	75
United Amuse.	5	'56	101½	104	101½
United Corp.	5	'53	99	102	99
*United Gas	5½	'48	106	108	106
†Western Grain	6	'49	101	104	104½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
♦Payable in Canada only.
‡Traded flat, with unpaid accrued interest.
▲Payable in Can. or U. K.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.53	$12.50	$11.70
Hogs	16.80	16.78	15.68
Copper, lb.	*.12	.12	.12
Cotton, lb.	.2179	.2187	.2071
Sugar, raw, lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	1.03¼	1.01½	.80½
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.1	103.5	98.4
Dow Jones (fut.)	93.13	92.56	85.81
Fishers	111.1	111.2	106.6
Monthly Indices			
Canada (D.B.S.):			
Retail (June)	118.5	118.1	116.7
W'sale (May)	99.2	98.9	95.2
U. S. (Apr.)	103.7	103.4	98.7
Gt. Brit. (Mar.)	162.2	161.7	158.8

Note:—The base of indices is that 1926 equals 100 †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto. Copper - electrolytic. New York, No. 7 coffee. Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Shawinigan W.	*4%	1961	Oct. 1	103
Unit. Amuse. A▲	5%	1956	Aug. 1	103½
B. C. Packers	4½%	1944	July 15	101
Do.,	5%	1953	July 15	104
Wood, A. & J.	6%	1944	Aug. 1	103
Dom. Telegraph	†5½%	1978	Aug. 2	100
Can. Pac. Rly.	4½%	1946	Sept. 1	100½
Can. Breweries A	5½%	1946	Sept. 15	102
Do., ser. B	5%	1951	Sept. 15	100½

*$2,224,000. ▲$19,000. †$6,000.

Annual Meetings

1943:	Company	Place
July 9	McD.-Segur Expln.	Calgary
July 9	Yukon Consol. Gold	Toronto
July 12	St. Anthony Gold	Toronto
July 14	Ritz Carlton Hotel*	Montreal
Aug. 24	Can. Wirebound Boxes	Toronto
Aug. 24	Eastern Dairies*	Montreal

*Bondholders.

Bond Tenders

5 p.m., July 20, Saint Hyacinthe, P.Q.—$444,000, 3½%, dated Aug. 1, 1942, redeemable by series to August, 1962. M. A. David, clerk.

July 12, St. Catharines—$40,092, 3%, 1 to 10 year debentures.

July 15, Saint John, N.B.—$162,000, 2¾, 3, 3¼ and 3½%, due July 15, 1944-63.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.48	3.81
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.80	4.15
Can. Investors	5.50	6.25
Corp. Investors	6.15	6.60
Trans-Canada	10.95	11.90

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland Pete. pfd.	8,723	$4,800
Major Oil No. 6 pfd.	8,022	3,400
Major Oil No. 6 gr.	8,022	6,500
Empire pfd. (Ont.)†	....	*1,100
Phillips Kinsela Ltd.†	....	*2,100

*Pegged price. †Acreage royalty stock bonus.

Wheat Prices

Winnipeg Grain Futures

Week of July 5, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close July 5
Wheat					
1.03⅝	.95½	July	1.02½	1.00⅝	1.02⅛
1.04¼	.96	Oct.	1.04	1.02⅝	1.03¾
1.04⅞	.99⅝	Dec.	1.04½	1.02¾	1.04¼
1.07	1.06⅛	May	1.07	1.06⅛	1.06⅞
Oats*					
.51½	.47⅝	July	.51½	.51½	.51½
.51½	.49⅝	Oct.	.51½	.51½	.51½
.51½	.51½	Dec.	.51½	.51½	.51½
Barley*					
.64¾	.62⅝	July	.64¾	.64¾	.64¾
.64¾	.62¾	Oct.	.64¾	.64¾	.64¾
.64¾	.64	Dec.	.64¾	.64¾	.64¾
Rye*					
.94⅝	.65	July	.94⅝	.89½	.94⅝
.95⅞	.70½	Oct.	.95⅞	.91¼	.95⅞
.95¾	.87⅛	Dec.	.95¾	.91⅞	.95½

*At ceilings.

Cash Quotations

For Week

Wheat:	July 5 High	July 5 Low	Prev. Week High	Prev. Week Low
1 Nor.	1.03¼	1.01⅝	1.01½	1.00⅛
2 Nor.	.99½	.98¼	.97⅞	.96⅝
3 Nor.	.94½	.93⅝	.93⅝	.92¼
4 Nor.	.89¾	.88½	.89⅞	.87¾
5 Wheat	.88¾	.87½	.87¾	.86⅛
6 Wheat	.86½	.84⅝	.85	.83¾
Oats:				
2 C. W.	.51⅛	.51⅛	.51½	.51⅛
3 C. W.	.50½	.50½	.51½	.51⅛
Barley:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W.	.94⅝	.89¾	.90¾	.85½

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	8	7	3	4	10	12	7	15	15	8	19	95
(Base 1935-39=100)												
***1935 to date:**												
High	134.5	234.4	149.7	123.7	135.7	118.3	133.4	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.3	76.7	90.0	76.3
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	93.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.6
May	104.0	89.3	91.6	67.9	119.9	88.7	128.1	91.4	101.0	80.5	106.2	83.7
1943: Weekly Figures:												
June 3	108.0	96.5	94.3	69.1	122.2	87.7	130.1	93.3	105.4	80.7	108.8	84.9
June 10	107.1	95.0	97.6	75.0	123.4	88.9	133.4	94.2	109.8	80.9	111.3	87.1
June 17	108.9	93.7	97.1	73.0	123.4	89.1	132.9	92.7	113.2	81.3	112.3	86.2
June 24	110.1	96.3	94.5	72.1	123.7	90.6	133.0	92.8	111.8	81.8	111.4	86.1
June 30	108.2	93.6	94.6	72.8	125.6	89.0	134.7	92.6	109.5	81.4	109.6	85.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 6	120.76	65.45	73.79	25.40
July 5	119.88	65.83	73.94	24.88
July 3	119.36	65.38	73.92	24.64
July 2	119.44	65.00	74.06	24.90
July 1	—Holiday—			
June 30	119.20	64.49	73.66	24.94
Month ago	118.07	63.53	73.12	25.05
Year ago	85.05	64.60	61.03	16.12
High 1943	120.76	67.04	74.33	26.27
Low 1943	88.88	70.64	63.57	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cmd.	10 Pprs.	15 Golds
July 6	62.3	79.7	74.0	107.68	66.15
July 5	62.1	79.8	72.7	104.78	65.22
July 3	61.7	79.6	73.6	106.32	65.65
July 2	61.5	79.3	73.3	106.77	64.80
July 1	—Holiday—				
June 30	61.9	79.3	73.5	107.26	64.84
Month ago	61.4	78.1	72.5	104.37	62.11
Year ago	42.8	58.6	52.0	53.55	40.99
High 1943	63.2	80.3	74.3	112.19	66.88
Low 1943	51.8	63.4	59.5	74.07	49.15

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass, pf.	1.75	July 2	May 31
Anglo-Can. Tel. pf.	.68¾	Aug. 2	July 9
Anglo Huronian	.10	July 22	June 15
Amal. Electric	.30	July 10	June 10
Aluminum of C., p.	1.25	Aug. 1	June 30
Ault & Wiborg, pf.	1.37½	Aug. 3	July 2
Belding Cort.	1	Oct. 1	Aug. 31
Do., pref.	1.75	Oct. 1	Aug. 31
Bertram & Sons	.15+.05	Aug. 16	July 31
Beath & Son, A.	.80	July 15	July 1
Bell Telephone	2	July 15	June 23
Barber Ellis, pfd.	1.75	July 15	June 30
Biltmore Hats	.15	July 15	June 30
Bralorne Mines■	.20+.10	July 15	June 26
B.C. Power (A)	.50	July 15	June 30
Brant. Cordage, pd.	.32½	July 15	June 20
B.C. Elec. Rly., p.	2½%	July 15	June 30
Blue Ribbon, pfd.	.62½	Aug. 1	June 30
Caldwell Linen, pf.	.38	Aug. 2	June 30
Do., 2nd pref.	.20	Aug. 2	June 30
Canada Starch, pf.	■3.50	Aug. 15	Aug. 8
Canadian Oil, c.	.25	Aug. 14	July 30
Can. Bk. of Com	1.50	Aug. 2	June 30
Can. Bronze	.37½	Aug. 2	July 9
Do., pref.	1.25	Aug. 2	July 9
Can. Car, pref.	.53	July 10	June 22
Can. Fairbanks, pf.	1.50	July 15	June 30
Can. For. Inv., pf.	■2	Oct. 1	Sept. 1
Can. Gen. Invest.	.15	July 15	June 30
Can. Converters	.50	July 31	June 18
Can. Int. Inv. Tr., p.	.50	Sept. 1	Aug. 2
Can. Investors	.10	Aug. 2	July 5
Can. Light & Pr.	.50	July 15	June 30
Can. Industries A.B.	1.25	July 31	June 30
Do., pref.	1.75	July 15	June 15
Can. Pacific Rly pfd.	2	Aug. 3	June 30
Can. Wallpaper, A B	1	July 21	July 7
Can. Nor. Power	■.15	July 26	June 19
Do., pref.	■1.75	July 15	June 19
Can. Breweries, pf.	.85	Oct. 1	Aug. 16
Comm. Alcohols	.05	July 15	June 30
Do., pref.	.10	July 15	June 30
Cons. Smelters	.50	July 15	June 18
Do., bonus	.75	July 15	June 18
Distillers Seag., pf.	†1.25	Aug. 2	July 15
Dominion Bank	2	Aug. 2	July 15
Dom. Fabrics	.20	Aug. 2	July 15
Do., 1st pref.	.75	Aug. 2	July 15
Do., 2nd pref.	.37½	Aug. 2	July 15
Dom. Oilcloth	.30+.10	July 30	June 30
Dome Mines	■.40	July 30	June 30
Dom. Textile pf.	1.75	July 15	June 15
Dom. Tar & Ch., p.	1.37½	Aug. 2	July 2
Dominion Glass	1.25	July 15	June 28
Do., pref.	1.75	July 15	June 28
Eastern Steel	.25	Sept. 1	Aug. 14
Foundation Co.	.35	July 23	June 30
Guar. of N. Amer.	1.50	July 15	June 30
Do., extra	2.50	July 15	June 30
Gt. Lakes Pwr.	2	July 15	June 30
Do., pref.	1.75	July 15	June 30
Guaranty Trust	1.25	July 15	June 30
Hollinger Cons.	.05	July 15	June 30
H. Smith Paper, p.	1.50	July 20	June 30
Hydro El. Secs. B pf.	.25	Aug. 2	June 30
Imperial Bank	2	Aug. 2	June 30
Intern. Holdings	.50	Aug. 16	July 15
Inter. Milling, pf.	†1.25	July 15	June 25
Inter. Nickel, pfd.	†1.75	Aug. 2	July 6
Invest. Found.	.75	July 15	June 15
Inter. Bronze	■.20	July 15	June 15
Do., pref.	■.37½	July 15	June 15
Inter. Util. pr. pf.	§†.87½	Aug. 1	July 21
Int. Metal, pf. A pf.	1.50	Aug. 2	July 15
Leitch Gold	.02	Aug. 14	July 15
Langley's pref.	■.50	Sep. 11	Sep. 3
Do.	■.50	Dec. 11	Dec. 3
Levy Bros.	.10	Aug. 2	June 28
Lindsay, C. W.	2	July 31	June 30
Maritime Tel.	.17½	July 15	June 19
Do., pref.	.17½	July 15	June 19
McColl-Front., pfd.	1.50	July 15	June 30
Moneta Porc.	.02	July 15	June 22
Mtl. Light & Power	.38	July 31	June 30
Montreal Teleg.	•.48	July 15	June 15
McIntyre Porc.	.55½	Sept. 1	Aug. 2
Nat. Steel Car	1	July 15	June 15
Nor. Ont. Pwr.	.12	July 26	June 30
Do., pref.	1.50	July 26	June 30
Ont. Steel Prod.	.25	Aug. 16	July 16
Do., pref.	1.75	Aug. 16	July 16
Ottawa L. Pr.	.15	Oct. 1	July 9
Do., pref.	1.25	Oct. 1	July 9
People's Cr. Secs.	.25	July 15	June 30
Penmans	.75	Aug. 16	July 16
Do., pref.	1.50	Aug. 2	July 2
Power Corp., pf.	■1.50	July 15	June 19
Do., 2nd pref.	■.75	July 15	June 19
Preston E. Dome	.05	July 15	June 15
Pend Oreille M.	†.06	July 28	June 26
Premier Gold	.01½	July 15	June 15
Quebec Power	.25	Aug. 25	July 23
Regent Knit., pfd.	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
St. Law. Corp. A pf.	.25	July 15	June 30
St. Law. Flour	.35	Aug. 2	June 30
Do., pref.	1.75	Aug. 2	June 30
St. Law. Paper, pf.	.75	July 15	June 23
Saguenay Pwr., p.	1.37½	Aug. 1	July 15
Scythes & Co.	.50	July 15	July 2
Do., pref.	.87½	July 15	July 2
Shawinigan W.	.23	Aug. 25	July 23
Silbak Prem.	.03	July 26	June 25
Sigma Mines	■.30	July 28	June 28
Sheep Creek G.	.04	July 15	June 30
Sherwin-Wms., com.	.15	Aug. 1	July 10
Silverwood D.	.20	Oct. 1	Aug. 31
Do., pref.	.20	Oct. 1	Aug. 31
Simpsons, pfd.	1.62½	Aug. 2	June 30
South Can. Pwr.	■.20	Aug. 16	July 20
Do., pref.	■1.50	July 15	June 19
Sylvanite Gold	.03	July 15	May 25
Stand. Chemical	1.25	July 31	June 30
Standard Radio, A.B.	.10	July 10	June 21
Sullivan Cons.	.02½	July 15	June 15
Steel of Can.	.75	Aug 2	July 7
Do., pref.	.75	Aug. 2	July 7
Tuckett Tob., pf.	1.75	July 15	June 30
Toburn Gold	.01	Aug. 23	July 22
United Corp. (A)	.38	Aug. 16	July 15
Un. Bond & Sh.	.10	July 15	June 30
United Grain, A	1	Sept. 1	July 31
Do., B	.25	Sept. 1	July 31
Western Grocers	.75	July 15	June 15
Do., pref.	1.75	July 15	June 15
Weston, Geo., pfd.	1.25	Aug. 2	July 8
Wood, A. & J., pfd	•1.75	Aug. 1	July 15
Zellers	.20	Aug. 1	July 15
Do., pref.	.37½	Aug. 1	July 15

†N. Y. funds. ■Subject to approval of Foreign Excange Control Board.

•Net after deducting corporate income tax.

§Subject to approval of Securities and Exchange Comm., payable out of capital surplus.

DIVIDEND NOTICES

The Dominion Bank

Dividend No. 243

Notice is hereby given that a dividend of two per cent upon the paid up capital stock of this Institution has been declared for the quarter ending 31st July, 1943. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the second day of August, 1943, to shareholders of record of the 15th July, 1943.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 10th June, 1943.

The Canadian Bank of Commerce

Dividend No. 226

Notice is hereby given that a dividend of one and one-half per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st July, 1943, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd August next, to shareholders of record at the close of business on the 30th June, 1943. The Transfer Books will not be closed.

By Order of the Board,

S. M. WEDD,
General Manager.

Toronto, 24th June, 1943.

Canadian Wallpaper Manufacturers Limited

NOTICE is hereby given that a dividend of One Dollar ($1.00) per share has been declared on the Class A. and Class B. shares of the Company, payable on and after July 21st, 1943, to shareholders of record at the close of business on July 7th, 1943.

By Order of the Board,

JOHN PRESCOTT,
Secretary-Treasurer.

Toronto, June 30th, 1943.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to Shareholders of record the 10th day of July, 1943, and that cheques will be mailed on August 1, 1943.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.
June 10, 1943.

Bell Telephone Grows In Long Term Trend

(Continued from page 9)

according to Mark R. Sullivan, operating vice-president, American Telephone & Telegraph Co.

And transoceanic telephony. At present, this is carried on by a combination of telephone and shortwave radio. The radio has obvious advantages—dispenses with cables, is economical, not subject to damage. But radio is more subject to atmospheric disturbances and hence poor transmission, and radio channels cannot be as private as a cable. A telephone cable may yet span the Atlantic.

If and when this cable is laid, it will probably be carried out by the American Telephone & Telegraph of New York—Bell's foster company, which held 22.3% of Bell's stock at the end of 1942. A second party to the project might be the British Post Office, which operates Britain's telephone service.

But no matter who builds or owns the transatlantic cable, Bell Telephone, and every other telephone company on the continent, will benefit. How this works out illustrates a fundamental of telephone co-operation.

How Tolls Are Split

Wherever a call crosses from the territory of one telephone company to that of another, the total charge is divided between the two companies. If two thirds of the distance is in the territory of company A, it will receive two thirds of the toll. Tolls and their allocation are based on air distances, regardless of actual line mileage.

In this way, Bell stands to gain through any extension of telephone service anywhere in North America. Bell's own territory embraces the provinces of Ontario and Quebec, together with an interest in the New Brunswick system through majority holding of New Brunswick Telephone Co. stock. Within this area, are over 900 operating independent companies whose lines link with Bell and bring another 161,243 telephones into connection with Bell's own 925,414.

Some of these connecting companies serve very restricted areas, others are of major extent, but all link in with Bell on a reciprocal basis. Since war broke out, military camps have been established in some of the independent territories which have overtaxed the local facilities and equipment. In these cases Bell has frequently come to the rescue with loans of equipment and often construction crews. By its very nature, a telephone company must be a monopoly in the area it serves, but Bell has adopted a policy of aiding its established "competitors" rather than encroaching on their territories.

This "gentle giant" policy has paid dividends in goodwill, an item which does not appear on Bell's balance sheet but is of greatest importance to the investor under current conditions.

No Strikes For 36 Years

And besides gaining the goodwill of the public it serves, Bell has been noteworthy for its personnel relations. Not since 1907 have any Bell employees gone on strike. Since 1919, almost a quarter century before war brought the practice into more general usage, Bell has operated under a plan of joint employee-management councils. Employees of more than six months' service may subscribe to shares of Bell stock and pay for it through regular deductions from pay on the basis of one share for each $300 of annual salary. These and other features of Bell's personnel policy have tended to break down the barriers between management and employee, have given Bell a record of peaceful labor relations which is second to none.

But the employee stock plan has its drawbacks from an investment point of view. Last year, Bell's capitalization grew by nearly 10,000 shares; in the mid-1930's the rate of growth was nearer to 5,000 shares per annum.

Under current conditions, and at the present dividend rate, it is clear that net profits must increase $80,000 a year to compensate for the steady dilution under the employee stock plan. With a return of more normal taxation and the unleashing of Bell's growth potential, the employee stock would become a less important influence.

Current Dividend Prospects

For 1943, the 100% excess profits tax will apparently magnify the effects of employee stock sales and the wartime restriction on expansion. It has been officially stated (annual report for 1942, page 6) that had the present excess profits rate been in effect for all of 1942, instead of the latter half, earnings for the year would have been approximately $7 per share instead of $8.76.

Compensating for the current heavy taxes is the refundable portion of the tax ($709,000 in 1942) and the surplus of approximately $1.4 millions which has been accumulated since 1939 and is therefore, available for dividends, under Foreign Exchange Control rulings. The surplus is large enough to cover an $8 dividend in the face of $7 earnings for nearly two years.

How does it all add up?

For the long term, the investor in Bell Telephone can look forward to another era of growth, with a potential double or treble in gross operating earnings, tempered mainly by Canada's ability to maintain full employment and a high national income. Of major importance will be the method taken in financing that growth; if bond and debenture borrowings are employed, increases in per share earnings may be expected, but if the development is financed by stock issues, earnings may be held to something roughly comparable to present levels. Postwar taxation, as with all other securities, will be a final determinant of earnings.

For the shorter term, maintenance of the current dividend would be threatened if the war were to last much more than a year longer, but the dividend might not have to be cut below $7 a share. Earnings during the reconversion period may be well maintained if the country as a whole adjusts fairly smoothly.

Reconversion of Northern Electric Co. to civilian work will take time, but the backlog of replacement demand should provide a wide market for its products. Barring a collapse of the national income, Bell's reconversion problems are not likely to cause much distress to the investor. They are already being tackled by the company's planners.

DIVIDEND NOTICES

NOTICE OF DIVIDEND NO. 33

United Grain Growers Limited

Class "A" Shares and Class "B" Shares

Notice is hereby given that the Board of Directors have declared a dividend at the rate of 5% on the paid up par value of Class "A" (Preferred) Shares (par value $20.00 each), and at the rate of 5% on the paid up par value of Class "B" (Membership) Shares (par value $5.00 each).

This dividend will be paid on or about September 1st, 1943, to holders of each class, of record at the close of business on Saturday, July 31st, 1943.

The register of Transfers will be closed from July 12th, 1943, to July 31st, 1943, both days inclusive.

By Order of the Board,

CHAS. C. JACKSON,
Secretary.

June 30th, 1943,
Winnipeg, Manitoba.

McIntyre Porcupine Mines

LIMITED

(No Personal Liability)

DIVIDEND NO. 103

Notice is hereby given that a dividend of fifty-five and one-half cents (55½c) per share in Canadian currency will be paid on September 1, 1943, to shareholders of record at the close of business August 2, 1943.

By Order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, July 2, 1943.

More Grain Milled in May

Millings of all grains for May showed an increase over May of 1942, with wheat up 40%, it is shown in the monthly report of milling statistics. Wheat flour production for the present crop year (Aug. 1, 1942-July 31, 1943), was higher at the end of May than the total figure for 1941-42 crop year. The 10 months figure was 19.7 barrels.

Milled stocks of wheat on hand at May 31, 1943 were 5.8 million bus. compared to 6.3 millions last year.

Grain Milled in May

	1943 (000 bu.)	1942 (000 bu.)
Wheat	9,276	6,624
Oats	1,249	747
Corn	217	169
Barley	427	230
Buckwheat	1,156	600
Mixed grain	2,367	1,871

DIVIDEND NOTICES

Ottawa Light Heat and Power Company, Limited

The following dividends are payable 1st October, 1943, to Shareholders of record 9th July, 1943:

Preferred Stock: 1¼% (being at the rate of 5% per annum.)

Common Stock: Fifteen Cents (15 cts.) per share on the No Par Value Shares.

The transfer books will not be closed.

By Order of the Board.

F. W. FEE,
Secretary.

OTTAWA, 30th June, 1943.

Wheat Storage Worries West

Grain May Lie on Ground Till Space Available

From Our Own Correspondent

WINNIPEG—Where to put the new crop when threshed is a question that is beginning to worry a considerable number of farmers. Some have commenced to build additional storage space, financing the operation themselves or, in some instances, borrowing the money from mortgage companies. Comparatively few, however, can find the lumber for such work. Lumber available in the West would not allow a great deal of construction to be done anyway.

It is evident that at this harvest few farmers will haul grain as usual direct from the threshing machine to the country elevator, except in very limited quantities. When threshing begins, country elevators will probably be nearly full, and most of the new crop will have to be taken care of on the farms for some time.

The crop year, for administrative and statistical purposes, ends July 31. By that time farmers are supposed to have finished hauling their wheat—up to the quota limit of 15 bushels per authorized acre—for the current crop year. The official theory is that there will be enough space available to accommodate that quantity of wheat. But wheat will have to come into elevators at a very steady rate for the remainder of this month to enable it to be done.

It is disclosed that a few farmers apparently intend to pass up the opportunity of delivering full quotas, especially in those areas where wheat prospects are poor, and where the problem of storing new crop wheat does not threaten to be serious. In such places there seem to be some farmers who are willing to hold back old wheat to be delivered during the new crop year. Although they have been told that the maximum deliveries to be permitted during 1943-44 will be 14 bushels per authorized acre, representing in many cases less wheat than will be carried over from the old crop, some of them believe that conditions will change to the extent that larger deliveries will be authorized. If such a view is held, and if it is also believed that the wheat market will continue to advance, an argument is developed for the deliberate holding of wheat. This apparently is making some appeal, even if to comparatively few farmers.

Rural Elevators Full

The majority of farmers, however, will market their full quotas just as fast as they can find elevator space for it. When the new crop year opens they will keep right on delivering old crop wheat under whatever quotas apply for delivery at the beginning of the season. This will tend to keep country elevators completely filled. They would do the same with oats and barley, except that quotas for the new crop are not to go into effect until after Aug. 15. Up to that time, farmers have been told, they may keep on delivering old crop grain under the quotas for oats and barley which apply as at July 31. Over the greater part of the country that means that deliveries of these feed grains will be unrestricted as long as empty space in country elevators makes deliveries possible.

No Room for New Crop

Thus, except for occasional and exceptional points there will be practically no empty elevator space when threshing of the new crop begins. Deliveries of new grain will be possible only if space is made by the forward movement of grain from country to terminal elevators. The situation is much more acute than last year when, although there was not much storage space, there was some at least, and railway cars and lake freighters to keep grain moving were more plentiful than this year.

In addition, although the crop of 1943 is expected to be smaller than the very heavy crop of 1942, it may well be quite as bulky, because there is less acreage in wheat and proportionately more in oats and barley. The latter are likely to yield a great deal more bulk of grain per acre than wheat.

Under such circumstances a considerable quantity of grain will likely have to be piled on the ground at threshing time. From these supplies farmers will make deliveries to elevators as space becomes available, while the grain for which they can find room in their own granaries will be held for a later period.

Will We See Glider Trains?

(Continued from page 9)

anywhere near carload freight on a cost basis.

Despite these cost restrictions, however, an enormous expansion of domestic and international air traffic is to be expected. And there is always the possibility of revolutionary inventions.

The Family Plane

The family plane prospects were summed up neatly in a statement by Charles I. Stanton, Administrator of Civil Aeronautics in the U. S.:

"Few people will give up their auto to own an airplane until and unless the latter becomes a much more versatile conveyance—perhaps by the ability to shed its wings at the airport and chug about town under its own power. But many will give up a second car for a plane and this two-car group in America numbers more than a million families. An extremely cheap postwar auto will add to these numbers.

"To these conventional and fairly certain prospects must be added speculation on the part to be played by the helicopter whose recent development has removed all doubt as to its practicability. Operating from the back yard of a country home, the roof of an office building or hotel—there's a situation offering a variety of utility which taxes the imagination."

Trained Personnel

One of the most acute problems confronting the peacetime governments will be the absorption of thousands of highly trained pilots, navigators, radio technicians, mechanics and other aviation specialists into appropriate occupations.

The proportions of this task are indicated by estimates that the U. S. will have two millions of such trained personnel and Canada will have 250,000 after the war. It is obviously unsound to expect that these thousands can be absorbed by peacetime aviation, but there is hope that the expansion of global routes in addition to domestic air transportation will employ a considerable number.

Although many thousands will return to other occupations, it is apparent that the widespread aviation training of today's youth will in itself stimulate the general acceptance of the "Air Age" as nothing else could.

Aircraft Factories

Equally pressing will be the riddle of how to take up the slack in war-expanded aircraft factories. The Canadian aircraft industry is currently employing some 83,000 workers, while orders up to mid-1944 amount to $1,000 millions.

Although plans are already being considered for the Canadian design and manufacture of peacetime air transport planes, the Canadian postwar requirements cannot be expected to compare with the present military demand, nor can we hope to compete with great success in competition with the United States, where a similar conversion problem will be faced.

The 1943 dollar value of American aircraft production will be $20,000 millions, which is roughly 150 times that of 1938. It compares strikingly with the automotive industry which in its peak year produced to the value of only $3,700 millions.

The dimensions of the U. S. problem are indicated by the fact that even though the domestic air lines should expand their pre-war business 20 times over, they would still require only 6,000 to 7,000 planes, a number which a single factory will be able to produce in a year by the end of the war.

Thus in aviation we may expect a difficult spasm of industrial and individual readjustment following the victory. But we may be certain that pains of transition from war to peace will be relieved by the introduction of global air travel, by the vast acceleration of business and pleasure on the wings of the domestic air lines, and even by the advent of the family on wings. Beyond the readjustment period is the "Air Age" with its fabulous possibilities.

The Business Of Farming

By GORDON L. SMITH

Canada's accumulation of wheat, not so long ago a source of embarrassment, is beginning to loom as an international factor of considerable importance. American authorities, with their own reserves of grain melting away, are beginning to regard our surplus with something almost like envy.

Two developments would bring our carry-over sharply into the limelight. Most dramatic would be the sudden freeing of a large block of population in Europe either in the south and east or in the west. In both areas there are millions of people who scarcely know where their next meal is coming from. Certainly if a successful Allied invasion suddenly released them, they would have to be fed promptly, and for many months. The people of Greece, and perhaps also of Italy, may soon be in this position and, in the west, those of France, Belgium and Holland.

The other development, not perhaps so dramatic because it would not come suddenly, would be a partial crop failure in the United States. If that happens then livestock feeders, as well as ordinary human consumers, will need large blocks of wheat and other grain from Canada.

• • • •

Storage Headache

In the meantime, of course, Canada's grain reserve, and especially the wheat end of that reserve, continues to be an embarrassment, because our storage capacity is sorely taxed. In commercial and farm storage today we have over 600 million bushels of wheat, and when the new crop starts rolling in next month this total may soar to a billion. With only good storage for about half a billion, such an accumulation is going to be hard to handle.

In addition to the physical problems involved there is also one of finance. Farmers are already holding 2-300 million bushels of unsold wheat from last year's crop. Unless some new market opens quickly they are going to be asked to hold still more of the current yield.

Livestock Feed

As for other grain, chiefly barley and oats, there is not the same worry. The market already exists in the demand from livestock feeders in eastern Canada and the United States. The only problem is to connect buyer and seller. The authorities are hoping that large amounts of feed grain will be moved down from the West to eastern feeding points while the shipping season remains open on the Great Lakes. Provision has already been made for the building up of some emergency reserve in eastern Canada but authorities are hopeful that the ordinary feeder will not count on this but will arrange his own purchases and shipments early.

• • • •

British Revolution

Nearly everyone is familiar with the fact that Britain was a large net importer of foods before the war. But not so familiar is the fact that through amazing stimulation of her own agricultural resources the Mother Country is not nearly so dependent on import sources now. Before Hitler ran amok, Britain produced only one third of the total tonnage of food required to feed her domestic population. Now that proportion has been raised to over two thirds.

Several million acres of new land have been brought under cultivation and farm labor and farm machinery been made available on a scale never attempted before.

How far this agricultural revolution will be continued after the war is of prime interest not only to every Canadian farmer but to every other citizen, and there are a great many whose livelihood is indirectly dependent on agriculture. For nearly a century Great Britain has been Canada's chief outlet for farm produce and was a huge buyer for our agricultural competitors as well. Even continuing her present rate of farm production she would still be a major food importer and probably big enough to satisfy all Canadian surplus requirements if we held the inside track.

Company Reports

Upper Canada Mines

Net profits of Upper Canada Mines for the year ended April 30, 1943, show an increase over the previous year of $45,504 with earnings of 17.5 cents a share, up 3.1 cents from the previous year.

Gross production for the year was $1.46 millions, an increase of $248,335 over the previous year. In spite of a shortage of technical and mine labor, R. R. Brown, president, reports the mine has been maintained in good shape and that there is several years' ore in sight at the present rate of production.

Capital expenditures for the year were very low, since all major expenditures necessary were undertaken in the 1941-42 fiscal year. Regular quarterly dividends of 2½ cents were paid during the year.

Income, Surplus—Years Ended Apr. 30

	1943	1942
Bullion sales	$1,457,234	$1,208,899
Less: Marketing chgs.	16,933	14,624
Net earnings	1,440,301	1,194,275
Less: Explor. & devel.	133,028	132,915
Mining & milling	445,856	364,797
Gen. & admin. exp.	78,624	64,246
Income tax	192,000	90,500
Net oper. profit	590,793	541,817
Add: Inv. income	3,024	3,885
Less: Depr. reserve	56,217	55,254
Pre-prod. exp. w/o	40,377	40,377
Shaft sinking w/o	24,593	22,945
Net profit	472,630	427,126
Less: Dividends	296,301	296,301
Surplus for year	176,329	130,825
Add: Prev. surplus	490,739	359,914
Ont. tax ref.	6,264	......
Earned surplus forw'd	673,332	490,739
Earned per share	$0.175	$0.144
Paid	0.10	0.10
Working capital	$554,956	$277,843

Command Oils

Gross production of Command Oils was again lower for the year ended April 30, 1943, being $114,705 compared with $167,249 for the previous year. Net profit for 1943 was $302 compared with $28,500 for 1941.

The company's report points out that due to lack of available oil land in Turner Valley it was thought advisable to pay a dividend of 3c. a share in June 7, 1943, but warns that production is decreasing and that this will result in a decline in revenue. No allowance for depletion was included in the year's accounts.

Provision for amortization was increased, thus avoiding substantial expenditure for income tax, the report states.

Income, Surplus—Years Ended Apr. 30

	1943	1942
Prod. No. 1 well	$36,177	$61,938
No. 2 well	78,528	105,311
Less: Gr. roy. No. 1	7,276	12,509
Gr. roy. No. 2	19,648	38,993
	87,781	115,747
Less: Field oper. exp.	7,632	7,744
Rent & taxes	1,424	1,534
Admin. & other exp.	6,085	8,304
Conserv. board	274	333
Oper. income	72,366	97,832
Add: Divd. & roy.	645	8,572
Int., etc.	57	416
Bond int.	759	254
Sale of bds.	107	......
Total net revenue	73,934	107,074
Less: Depreciation	4,219	4,219
Depletion	......	8,586
Devel. amortiz.	69,413	59,688
Inc. & E. P. taxes	......	6,081
Net profit	302	28,500
Dividends	66,625	60,925
Deficit for year	66,323	32,425
Add: Prev. surplus	35,802	58,352
Inc. tax adj.	......	1,299
Surplus on royalties	......	21,076
Less: Conting. reserve	2,858	12,500
Inc. tax adj.	1,687	......
Surplus forward	*35,066	35,802
Earnings per Share and Dividend Record:		
Earned	$0.0002	$0.017
Paid	0.04	0.04
Working capital	26,218	39,068

*Deficit.

Abitibi

Reflecting an industry-wide decline in newsprint shipments, Abitibi Power & Paper Co. 1942 report of the receiver and manager, G. T. Clarkson, shows a decline of roughly a million dollars in sales income with a somewhat smaller decline in earnings. Operating profit realized, after provision for 1942 taxes, was $8.4 millions in 1942 against $9.1 millions in 1941.

Commenting on the current outlook, Mr. Clarkson notes that certain restrictions have been placed on newsprint consumption in Canada and the United States in 1943 (also on exports) and prospects are for a smaller output this year than in 1942 but the approximate extent of any reduction cannot yet be determined. Abitibi output (including subsidiaries) was 412,873 tons in 1942 compared with 454,840 tons in 1941.

No ruling has yet been received by the company as to standard profits under the Excess Profits Tax and an accurate determination of tax liability has not yet been possible. In April, 1942, $1 million was paid on tax account and a further $350,000 was set up as reserve in 1942.

Accrued interest is set up in the company's 1942 balance sheet (see below) to give a clearer position of the company's situation.

In Jan., 1943, Abitibi was required to pay $375,127 to the Commodity Price Stabilization Corp, as an interim payment in respect to newsprint shipped in excess of "established percentage" under the direction of the Newsprint Administrator. The amount was paid under protest as in excess of the amount which the company should be called on to pay.

Hearing of the Privy Council Abitibi appeal case, re sale of assets, commenced May 27, 1943, it is noted.

Consol. Income & Surplus Account Years Ended December 31

	1942 $	1941 $
Income:		
Newsprint & pulp sls	24,893,619	25,824,784
Power sales	1,220,649	1,213,456
Total operat. income	26,114,268	27,038,240
Less: Operat. costs	18,772,143	18,523,349
Operat. profit	7,342,125	8,514,891
Add: Pre. U.S. funds	1,972,857	1,865,651
Int. & discount, etc.	221,906	146,898
Less: Alloc. adjust.	375,127	......
Total earnings	9,161,761	10,527,440
Less: Idle mill costs	126,815	127,308
Sabotage protection	114,161	114,055
Legal audit & accr.	48,000	48,000
Receivers remuner.	48,000	48,000
U.S. tax provision	30,726	39,207
Depreciation	4,500,000	4,500,000
Spec. receiver. costs	21,802	19,684
Costs of reports	2,865	4,487
Bal. avail. int. & taxes	4,249,392	5,626,499
Less: Res. for taxes	350,000	......
Balance for year	3,899,392	5,626,499
Add: Prev. balance	17,717,884	13,615,307
Less: Taxes pd. in year	1,000,000	......
Int. to Dec. 31/41	†31,317,560	......
Res. for 1942 interest	§3,568,678	......
G. H. Mead Co. w/o	111,238	......
Sundry adjustments	♦10,934	23,922
Contingent reserve	......	1,500,000
Balance forward	*14,369,288	▲17,717,884

*Deficit. †Of which $28,207,541 reserved for interest on first mortgage bonds Sept. 11, 1932 to Dec. 31, 1941 including interest on overdue interest; $3,102,829 reserved to permit payment in U.S. funds. §Includes 1942 first mortgage interest and interest on overdue interest. ▲Before providing income and excess profits tax or bond interest. ♦Credit.

	1942	1941
Working capital	$24,735,272	$22,472,888

Balance Sheet Changes

	1942	1941
Cash	$3,241,467	$8,156,150
Dominion bonds	8,012,917	1,981,667
Accounts receivable	3,189,378	2,842,169
Inventories	8,529,073	6,950,570
1st mtge bonds princ.	37,165,590	41,992,290
1st mtge. bd. interest	38,228,601	*1,895,986

*Sept. 10, 1932 to Dec. 31, 1941, interest on first mortgage bonds not shown on balance sheet.

TORONTO ELEVATORS
LIMITED
GRAIN
MASTER FEEDS
LINSEED & SOYA OILS
•
Also Owning and Operating
THE SARNIA ELEVATOR
CO. LIMITED
SARNIA ONTARIO
QUEEN'S QUAY, TORONTO

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

THE ALBERTA PACIFIC GRAIN COMPANY
LIMITED
(Licensed and Bonded with the Board of Grain Commissioners)
OPERATING
462 Country Elevators
72 Flour Warehouses
224 Coal Sheds
Terminal Elevators at Vancouver and Port Arthur (Capacity 9,461,500 Bushels)
Offices: Calgary and Winnipeg
(36)

Since 1857
James Richardson & Sons
LIMITED
Grain Merchants
Shippers and Exporters
HEAD OFFICE
WINNIPEG
Branches Throughout Canada

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
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Wakefield
ENGLISH MIXTURE

W-143

Jamaica Public Service reports net income in May at $19,288 compared with $25,629 for the like month of 1942. Operating revenue was $111,648 against $120,805, and gross income, after retirement reserve accruals, was $28,243, against $34,605. Cumulative net income for 12 months ended May 31 was $239,404, against $259,265 last year.

Do It Yourself

Instead of having the Courts or Statutes distribute your assets, you can provide your own distribution by making your will. And you can ensure that your wishes will be carried out by the appointment of a strong Trust Company as your executor and trustee.

We invite you to consult us in Confidence without incurring any obligation.

Montreal Trust Company
ESTABLISHED 1889
Montreal Trust Building, Toronto

A PRIVATE ENTERPRISE ISSUES A REPORT—

[*Extracts from statements issued by the Chairman of the Board at the Annual Meetings of the Companies in Liverpool, England, May 1943.*]

on SOCIAL SECURITY—The underlying aim — the abolition of want — must command universal sympathy. But when there are alternative methods of administration available which involve no abandonment of the social aims, Parliament has surely not only a right but a democratic duty to examine them.

on ADMINISTRATION—Insurance companies have built up a machine for administering benefits which is unexcelled in its smooth and practical efficiency.

on the PROFITS of PRIVATE ENTERPRISE—Critics who allege that private enterprise is solely concerned with making profits might do well to examine the splendid record of National Service afforded by insurance companies.

In a multitude of ways we continue to assist the Government in those many matters where we are especially able to help — war risk insurance schemes, the technical inspection of war plants, and fire prevention aiming at the preservation of essential capital goods and stocks which is of vital concern to the Government supply departments.

on the REASONS for SUCCESS—We may look upon 1942 as a year of brisk and useful activity. The buoyancy in our income figures is the more significant in that it demonstrates the real underlying need of the community for our services. Let me remind you that this business is built up on confidence — confidence in the integrity, financial strength, and technical skill of the insurance companies, and confidence in the national economic background against which they work.

ROYAL INSURANCE COMPANY LIMITED

THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LIMITED

Banking

Deposits Switch to Victory Loan

Drop of $542 Millions Seen for Latest Month

Effect of the 4th Victory Loan is reflected in the returns of the chartered banks to the Minister of Finance as at May 31 by:

A drop of $542.5 millions in total public deposits.

An increase of $248 millions in current loans.

A rise of $743 millions in Dominion Government deposits.

The decline in public deposits during the month was made up of $348 millions in demand deposits and $194 millions in savings deposits. It is believed in banking circles that most of the decline in both classes went into the Victory Loan. Some of it, however, was probably used to pay income taxes. While the loan campaign of three weeks come partly in April and partly in May, the bulk of the payments were made in May. The total decline was the largest seen in any of the six War and Victory Loans since the war started.

Campaign Efforts

In the May campaign greater efforts were made to get individuals and corporations to invest money they had on deposit in the banks. In spite of the big drop, total deposits in the banks are still $495 millions higher than a year ago.

While public deposits fell, Government deposits rose by more than $743 millions for the month and $516 millions for the year, reflecting the transfer of money invested in the loan to government account.

Further effect of the loan was the rise of $248 millions in current loans, mainly the result of people and corporations borrowing to buy Victory bonds.

Call loans in Canada rose by $7.8 millions, reflecting increased activity on the stock exchanges.

Provincial and municipal borrowings in May were slightly higher than in the previous month but substantially lower than at the same time last year. A drop in investments was due to money raised by the Victory Loan being used to pay off deposit certificates.

Important items in the statement with comparisons follow:

Use of Bank Credits
(In Millions of Dollars)

	May 1943	April 1943	Change	May 1942	Change
Loans	1,256.4	996.3	+260.1	1,243.8	+12.6
Investments	2,727.5	2,818.4	—90.9	1,877.5	+850.0
Total	3,983.9	3,814.7	+169.2	3,121.3	+862.6
Deposits	3,183.9	3,726.4	—542.5	2,688.4	+495.5
Credit index*	37.2%	24.9%	+12.3%	42.5%	—5.3%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	May 1943 $	April 1943 $	Change $	May 1942 $	Change $
Immediately Available Liquid Assets					
Canadian coin	6,840,193	6,612,287	+227,906	6,197,810	+642,383
Bk. of Can. notes	121,951,648	108,637,557	+13,314,091	92,898,356	+29,053,292
Bk. of Can. depos.	313,132 308	284,435,274	+28,697,034	185,983,324	+127,148,984
Bank's cash	441,924,149	399,685,118	+42,239,031	285,079,490	+156,844,659
Other bank's notes	1,354,054	1,175,034	+179,020	2,698,353	—1,344,299
Gold sub. coin abd.	2,692,575	2,589,349	+103,226	2,567,483	+125,092
Foreign banks	191,681,306	193,610,713	—1,929,407	169,016,255	+22,665,051
Foreign currency	56,781,463	48,603,707	+8,177,756	36,837,163	+19,944,300
Gov. sec. sht. term	1,581,188,741	1,785,717,533	—204,528,792	702,538,527	+878,650,214
Do., long term	829,912,603	718,516,149	+111,396,454	915,111,395	—85,198,792
Call loans abroad	89,462,916	90,722,684	—1,259,768	62,434,294	+27,028,622
	3,194,997,807	3,240,620,287	—45,622,480	2,176,282,960	+1,018,714,847
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	67,140,988	66,695,849	+445,139	78,429,167	—11,288,179
Public secs.†	172,324,941	168,560,573	+3,764,368	96,552,300	+75,772,641
Other secs.	76,932,775	78,904,955	—1,972,180	84,864,564	—7,931,789
Can. call loans	32,987,198	25,128,634	+7,858,564	29,026,820	+3,960,378
Current loans	1,153,505,824	905,021,219	+248,484,605	1,115,096,158	+38,409,666
Loans abroad	108,726,374	113,766,202	—5,039,828	138,773,258	—30,046,884
Prov. loans	6,459,843	4,030,461	+2,429,382	16,560,114	—10,100,271
Mun. loans	63,487,607	62,119,219	+1,368,388	83,156,268	—19,668,661
	1,681,565,550	1,424,227,112	+257,338,438	1,642,458,649	+39,106,901
Other Assets					
Non-current loans	2,881,615	2,963,935	—82,320	4,175,063	—1,293,448
Real estate	5,097,507	5,175,130	—77,623	6,119,135	—1,021,628
Mortgages	3,204,948	3,251,825	—46,877	3,427,371	—222,423
Premises	67,296,401	67,385,233	—88,832	69,611,559	—2,315,158
Letters of credit	114,790,799	105,547,676	+9,243,123	122,936,392	—8,145,593
Loans to comp.	11,183,911	10,799,689	+384,222	11,096,740	+87,171
Other assets	2,542,326	2,436,102	+106,224	2,050,653	+491,673
	206,997,507	197,559,590	+9,437,917	219,416,913	—12,419,406
Total	5,083,560,864	4,862,406,989	+221,153,875	4,038,158,522	+1,045,402,342
Note circ. dep.	4,038,055	4,035,429	+2,626	4,503,923	—465,868
Int. bank bal.	181,732,295	224,855,590	—43,123,295	139,726,322	+42,005,973
Gross	5,269,331,214	5,091,298,008	+178,033,206	4,182,388,767	+1,086,942,447

LIABILITIES

	May 1943 $	April 1943 $	Change $	May 1942 $	Change $
To the Public					
Circulation	51,291,152	53,238,538	—1,947,386	74,059,133	—22,767,981
Dom. Govt.	887,373,961	143,986,668	+743,387,293	371,055,242	+516,318,719
Prov. Govt.	80,308,604	113,283,866	—32,975,262	58,226,922	+22,081,682
Deposits by Public					
Demand dep.	1,451,639,036	1,800,205,252	—348,566,216	1,132,679,645	+318,959,391
Savings dep.	1,732,289,784	1,926,252,212	—193,962,428	1,555,675,615	+176,614,169
Total	3,183,928,820	3,726,457,464	—542,528,644	2,688,355,260	+495,573,560
Foreign dep.	567,643,198	562,664,807	+4,978,391	496,110,173	+71,533,025
Due to Banks Abroad					
United Kingdom	33,019,681	32,483,838	+535,843	23,566,224	+9,453,457
Foreign	36,184,792	34,385,603	+1,799,189	33,009,121	+3,175,671
Bills payable	....	....	....	37,349	—37,349
Letters of credit	114,790,799	105,547,676	+9,243,123	122,936,392	—8,145,593
Other liabs.	4,773,806	4,532,632	+241,174	4,417,745	+356,061
Total pub. liabs.	4,959,314,813	4,776,581,092	+182,733,721	3,871,773,561	+1,087,541,252
Due bet. banks	10,127,422	15,083,258	—4,955,836	11,702,902	—1,575,480
Liability to Shareholders					
Dividends	1,807,241	2,174,340	—367,099	2,225,092	—417,851
Reserve	136,750,000	136,750,000	....	134,750,000	+2,000,000
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	5,253,499,476	5,076,088,690	+177,410,786	4,165,951,555	+1,087,547,921

†Other than Canadian.

Life Insurance

British Death Claims Show Downward Trend

Despite enemy bombings at home and battle casualties abroad, death claims paid by the life insurance companies in Great Britain in 1942 appear to have been lower than in the previous year. Among industrial companies total claims are stated to have been the lowest since 1939.

The results are interesting to Canadians, not only because some Canadian companies do business in the British Isles, but also as showing the effect of nearly four years of war on the life insurance business in a country where the civilian population is exposed to aerial attack.

Calculations of results in the industrial business, which probably reflect conditions in the business as a whole, show that death claims of five large companies in 1942 were 7% lower than in 1941 and 12% lower than in 1940. The total for 1942 was stated to be little more than in 1939.

It is pointed out that the lower monetary value of claims occurred in spite of an increased volume of business in force. It reflects the favorable mortality rate of the nation as a whole during the year.

The improved health of the British people in wartime is a matter of record and is attributed to some extent to better regulated eating habits.

Maturity Claims Up

Along with the lower value of death claims has come an increase in the value of maturity claims in the industrial business. This has been due to several factors including a larger volume of endowment insurance effected in recent years with lower lapse and surrender ratios in the war years. People with insurance have held it tenaciously during the war period and there is a larger proportion coming to maturity. The decrease in policy surrenders has been commented on by British companies writing ordinary business and has been noted in Canada.

Along with the reduction in death claims has also come an increase in annuity payments. With many people living longer under war conditions, annuitants are drawing their annuities for longer periods. Thus increased longevity works both ways as far as the insurance companies are concerned.

Other developments of the year in the life business in Britain in 1942 have been a tendency toward lower expense ratios. Interest rates on investments have also been lower. There has been a tendency for the decline in interest rates to become more gradual although still quite evident.

In the industrial business a decrease in new insurance is reported but, with the volume in force increasing, premium income has been higher.

Canada Life Ass'ce Men Are Promoted

Two appointments announced by the Canada Life Assurance Co. are that of George Lomas as provincial supervisor for Alberta and Saskatchewan and of V. H. Brown as educational assistant at home office.

Mr. Lomas, who has been provincial manager in Alberta for the Canada Life since 1936, will continue to make his headquarters in Calgary. He joined the company in 1923 and in 1935 became manager of the South Alberta branch.

Mr. Brown, who has been branch supervisor of central Ontario branch for the last three years, will be associated with the company's educational supervisor, H. E. Lumsden. He joined the Central Ontario branch of the Canada Life in 1935, at Galt, and two years later went to Kitchener as district manager.

Great-West Life In California

The Great-West Life Assurance Co. has extended its operations to California, and has appointed Newhouse & Sayre Inc. as general agents. Although this is one of the largest underwriting firms in the United States handling many specialized lines of insurance, its Great-West Life connection marks its first venture into the life insurance field.

The new expansion of the Great-West Life enables the company to extend service to many policyholders now resident in California. Newhouse & Sayre have appointed J. Clayton Schaefer as life manager with headquarters at its Los Angeles branch.

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Exploring For Oil

New Alberta Oil Fields Ahead?

Four Areas Seen of Key Significance Just Now

For years Alberta oil men have been searching for a new oil field which would be a worthy companion to Turner Valley. No major new field has yet emerged but a number of smaller fields may be in the making — and the small fields of today may become the big ones of tomorrow.

Vermilion stands first among the new areas finding attention, but other areas, Athabasca, Taber and Ram River, have showings of oil which may be of real significance.

By GORDON M. GRANT

Alberta's war-stimulated search for new crude sources is meeting a certain degree of success these days. Vermilion is standing up as a "junior partner" for Turner Valley and several other areas—Athabasca, Taber, Ram River—show fair chances of developing new fields.

Prospects for these new areas size up like this:

VERMILION—Cannar Oils, C.N.R. subsidiary, has completed five wells to the oil sands with only one miss to date. Other wells are expected to be drilled rapidly, with Midfield Petroleum and several smaller operators engaged in drilling activities. Marketing, the prime problem, was solved with re-opening of the oil conditioning plant and granting of a higher price for crude.

ATHABASCA—With the Deca well of East Crest Oils and Davies Petroleum intersecting eight feet of heavily saturated oil sands starting at 1,655 ft. depth, the Athabasca area, on first indications, is viewed as a real possibility for a new oil field. Present strike of crude is a mile from where Athadome well showed oil years ago. Grade of oil is not high but drilling costs are low. Athabasca is a possibility for a real addition to Alberta's oil resources. (Athabasca area is south of the tar sands).

TABER—When you bring in a good oil in a new area, you may usually think a new field has been discovered. About a year ago, a good well was brought in at Taber but establishing an oil field has been difficult. Several dry holes have been drilled but exploration has continued, another well was brought in, and further wells are planned. Like Vermilion and Athabasca, Taber is a shallow, cheaply-drilled field which can be exploited quickly if the oil area is extended.

RAM RIVER—Several geologists thought oil would never be found on the Ram River syncline after viewing core from several thousand feet down the Ram River No. 2 well. They said formation was igneous; that discovery of oil would be impossible. It now appears, however, the well did find oil at over 4,000 ft. depth. Testing has not yet been completed but unofficial reports tell of a practically sulphur-free oil of 40 degrees baume.

Vermilion Helps Railways

There appear no doubt that a considerable oil area exists in the Vermilion and that small producers can pump enough oil to be profitable. The railroad can use the oil to advantage and conditioning of the oil for locomotive use has been found comparatively simple.

Possibilities of Vermilion after the war are perhaps not as clear. The price of oil was raised to make operation of the field economic during wartime and it remains to be seen whether it will be good business to continue drilling of wells after the war. The C. N. R. is behind much of the present development, however, and completion of a large number of C. N. R. wells may assist in achieving low production costs in the field generally.

Continue Drilling at Deca

Further drilling of the Deca well on the Athabasca structure is planned and it appears possible that thickness of the oil-saturated sands might be increased. The old Athadome well, which found the oil sands a little shallower than the 1,650 ft. for the East Crest-Davies well, was carried on to test the Devonian. A water intrusion was encountered, lower down, however, and the well abandoned. The East Crest-Davies well will thus allow the first testing of the oil sands in this area.

Six wells are planned for the Taber area and the best possibilities appear likely to be tested in the next six months. Some locations are awaiting drill rigs.

Ram River Hole Small

Ram River Oils has secured its oil from the Devonian limestone which, geologically speaking, lies below the Madison. But the Devonian is relatively close to surface where Ram River drilled its No. 2 well and the Ram River well is not deep as western wells go. The hole completed is just a narrow diamond drill opening and the signs of productivity are all the more interesting on that account.

Outside these four areas—Vermilion, Athabasca, Taber and Ram River—a number of other Alberta areas are having drill tests completed. Pacific Oil & Refining is drilling a well on the Del Bonita structure. The Shell-Norman test on the Jumping Pound structure has reached a depth of over 10,000 ft. If oil is found, Jumping Pound will be one of the deepest oil fields in the world. Kinsella, close to Vermilion, has been receiving a number of tests. One or two wells are drilling at present.

Walton Creek Key Test

Anglo-Canadian and Home Oil are watching closely their test of the Walton Creek structure. Equipment is being repaired with the well standing at 1,170 ft.

Royalite has its Wildcat Hills test down over 2,200 ft. while the Sullivan Creek No. 1 well is standing 689 ft. in the Madison lime.

The Royal Sun well has reached 2,253 ft. on the Livingstone structure and Okalta Morley No. 1 well has resumed drilling at 1,900 ft. depth.

While there are many active "wildcat" ventures now drilling in Alberta, perhaps as many more tests are scheduled to be put down as soon as drilling rigs become available. Locations have been selected for wells for Calling Valley, the Coutts area and the Parry structure in Saskatchewan. Five locations have been staked in the Kinsella area while neighboring Vermilion has seven. Taber has five locations waiting for drill rigs.

Preliminary indications suggest much further testing for new oil pools next year and the year after if known fields do not provide the needed output. Dominion geological parties are active in many sections of Alberta mapping geological structures, the groundwork that goes before drilling.

Bulk of oil well drilling is for the larger oil companies but some of the best new field success has been that attending operations by the smaller independents. Special tax concessions provided in the last Dominion budget have been a powerful stimulant to further exploration.

The Week in Oils

From Our Own Correspondent

CALGARY.—Major and Independent oil groups are embarking on new development programs in the Maritime Provinces.

Socony-Vacuum Oil Co. and Cities Service Oil Co., two American concerns, have pooled forces for a deep 12,000-ft. test in waters adjacent to Prince Edward Island. The location is in Hillsborough Bay, adjoining Northumberland Strait, which separates Prince Edward Island from New Brunswick and Nova Scotia. The test is on an indicated large structure, mapped by surface geology and confirmed by seismograph work.

The site is a mile southwest of a dry hole drilled by Cities Service Oil to 5,965 ft. This test was located on Governor Island. The new test will be on the same structure. A foundation is being built to hold back the waters of Hillsborough Bay from the new well-site.

In Nova Scotia, the Provincial Government has granted a license covering about 553,000 acres to S. C. Nickle, Calgary oil operator and president of Northland Petroleums. The 864-square mile block lies north of Halifax, between Windsor and Truro. Part of the block underlies Minas Bay. The operator has retained Professor M. F. Bancroft of Acadia University, author of a favorable report on oil prospects of this territory. Arrangements have also been made for two geologists of the Dominion Geological Survey to render assistance in completing geological investigation prior to staking of the initial drill test.

Seepages of oil have been shown in the Maritime Provinces for many years, but development to date has been on a comparatively small scale. Only important oil and gas producing area at present is the Stony Creek field, nine miles south of Moncton, N.B. Here a Scottish company, N.B. Gas & Oilfields, has been active since 1915. This field to date has produced in excess of 17,500 million cu. ft. of gas and over 240,000 bbls. of crude oil, with a gross value exceeding $8.1 millions. Oil production in the past has been limited by market conditions, and operation of the oil wells has been intermittent. It is understood, however, that the company now plans deeper drilling in an extensive program to augment its supply of oil—now at a premium because of war conditions. Current oil yield is said to be around 100 bbls. daily.

B.-D. No. 5 Large Well

British Dominion No. 5, recently completed north Turner Valley extension test, has developed into one of the largest oil producers yet completed in this field. The well commenced with an oil flow of 4 to 5 bbls. hourly; 1,000 gallons of acid was then applied to each of the two porous zones, and output increased to 23 bbls. hourly.

A further 1,000 gallons of acid was then applied to each zone, and the well responded with a flush of 800 bbls. in three hours. After being closed in a day while loaded tankage was cleared, the well was opened for five hours, producing over 1,200 bbls. in this period.

A packer was then set between the two zones, and tests were made of each porous zone separately. The lower porous horizon showed a yield of 130 bbls. hourly. The upper porous rated 36 bbls. hourly.

Last weekend a further 3,000 gallons of acid was applied to the upper porous. The output from the horizon increased to a flush ranging as high as 100 bbls. hourly, and settling to around 44 bbls. hourly. A further acid treatment of this zone was slated for early this week.

While all the figures given above represent purely flush production, and are not a measure of the well's potential for steady production, it is quite evident that British Dominion No. 5 is going to rate among the field's leading producers.

The well is a joint venture by British Dominion Oil & Development Corp. and Home Oil Co., each company sharing squally in net production.

* * *

New Interests in Taber

Independent oil operators are going to work in the southeastern corner of Alberta, now under intensive survey by Imperial Oil, Dominion Oil and McColl-Frontenac. Lion Oils, owner of a permit on 18,400 acres southeast of the Taber oilfield, announces that it will start a series of ten core-hole tests to define structure by the middle of July. The Lion acreage lies largely in township 7 range 15w4, and extends into twp. 7 range 14w4.

Northend Petroleums announces that it has been granted a reservation on a 12,800-acre block adjoining Lion Oils to the east. The block lies in the west two-thirds of twp. 7 range 14w4. and includes sections 25 and 36 of twp. 7 range 15w4.

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Beattie Starts Rehabilitation

Plans Call for Million Dollar Recovery Program

Already started, a rehabilitation program to cost in the neighborhood of $1 million is being undertaken by Beattie Gold Mines which it is hoped will result in reopening the shaft to the 3rd level in three months if not before.

A survey of the damage done by the glory hole cave-in reveals that a million tons of wet clay has run into the workings. The section at the west end of the mine to the main fault where 350,000 tons of broken ore are located has been entirely filled with clay.

Shaft Filled Three Levels

Pressure forced clay through the first and second level crosscuts into the shaft stations and down the shaft into the 4th, 5th and 6th levels, filling the shaft to about 70 ft. below the third level. The first and second levels apparently became self-blocked. There is no clay on the third level but inspection shows the shaft pillars have been damaged from the first level to the height of the clay below the third level. The extent of this damage and the quantity of clay on the lower levels is not at present known.

Rehabilitation steps will be as follows:

1. Cleaning out and retimbering the main mine shaft and putting in cement bulk heads in each of the six levels so that no run of clay in the north zone stopes can occur. Clay to be removed from the A ore body later, and mining of A zone ore to commence. (Shaft timbers have already been repaired to the first level and clay has been cleaned out of the crosscut back to the drift).

North ore zone is to be blocked off later after which it is estimated 800 to 1,000 tons of ore a day can be drawn from the A deposit.

2. Work is under way to develop, through the main Dumico shaft, the new ore found in the Donchester ground. It is hoped within four or five months it will be possible to mine 200 tons of 0.25 oz. grade ore from this zone a day.

3. A new shaft will be started immediately on Donchester ground north of the new ore body. Five months will be required to complete this shaft to the 6th level and three months will elapse thereafter before 400 tons of ore a day can be mined from the Donchester section.

With the above program the plant should be operating at 200 tons per day by December, 1943. This ore would be treated in the flotation and cyanide plants.

B. C. Mine Labor Shortage Fails to Bring Tax Relief

From Our Own Correspondent

VANCOUVER.—Manpower troubles continue to plague B.C. gold mines, and prospect of relief in the near future is still remote. At Cariboo Gold Quartz, for instance, 150 men only were employed at the end of June, compared with 195 at the beginning of the year.

The B.C. Mining Association requested Ottawa to allow certain tax concessions to gold mining companies who, because of taxes and unusual conditions arising out of the labor shortage, were being forced to deplete their ore reserves to the vanishing point. Despite the difficulties set forth, Ottawa rejected the request.

The Association suggested to the Tax Dept. that the latter endorse a system whereby a reserve might be set up to be used to replace ore reserves when manpower is not available to maintain such.

President A. E. Jukes of Gold Belt Mining Co. at the annual meeting informed shareholders of Ottawa's attitude in this matter. Gold Belt set up a development reserve of $2 a ton, amounting to some $89,000. But Ottawa advises that this reserve will be taxed on the same basis as any other Gold Belt earnings. The attitude of the company is that current earnings include money which would ordinarily be spent on development which has to be deferred because of labor shortage.

The B.C. mining industry argues that if they are to maintain maximum employment after the war the Government will have to allow them to retain a reasonable proportion of earnings to serve as working capital.

Ontario Gold Output Drops

Value of gold mined in Ontario during May declined 2.71%, according to the Ontario Department of Mines. Daily average figures indicate a further downward trend and a new low in production value since Oct., 1936.

Tonnage of ore milled showed a gain over April. During May, 725,313 tons of ore were milled, yielding 179,863 oz. of gold and 30,057 oz. of silver, valued at $6.9 millions.

The decline in production value resulted from a decline in the average grade of ore milled from $9.94 in April to $9.56 in May. Actual ore tonnage treated increased 1.22%.

During the month the Young-Davidson mine was reopened, after being closed since February.

Monthly Gold and Silver Output

	1943 Tons milled	1943 Value $000	1942 Tons milled	1942 Value $000
Porcupine:				
1st quar. ..	1,187	10,798	1,506	13,485
April	381	3,611	504	4,390
May	384	3,295	527	4,657
Total ...	1,952	17,704	2,537	22,531
Kirk.-Larder:				
1st quar. ..	579	6,900	559	6,412
April	183	1,959	219	2,807
May	185	2,170	230	2,741
Total	947	11,030	1,008	11,959
Matachewan-Sudbury:				
1st quar. ..	119	476	186	866
April	35	175	72	282
May	64	283	73	321
Total	218	934	331	1,469
Northwestern Ontario:				
1st quar. ..	313	3,837	457	5,380
April	95	1,150	149	1,807
May	92	1,179	148	1,751
Total	500	6,166	754	8,938
Miscellaneous:				
Jan.-May .	....	17,463	....	14
Total for Ontario:				
1st quar. ..	2,199	22,015	2,708	26,154
April	693	6,899	944	9,285
May	725	6,937	978	9,427
Grand total .	3,617	35,851	4,629	44,911

New Surveys Issued By Mines Department

New publications of the Bureau of Geology and Topography, Mines and Geology Branch, Department of Mines and Resources, Ottawa, include:

Annual report: Mines and Geology Branch for year ended March 31, 1942.

Preliminary papers: Cowley area report and map; Bourlamaque area, Quebec, report and two maps; foothills belt of central Alberta preliminary map; Lambton, Kent and Essex Counties, south-western Ontario, preliminary map.

New maps are given as: Tay River area, Alexo area, Langford Creek, Limestone Mountain—all in Alberta; Lac de Gras area, District of Mackenzie, N.W.T.; Carp Lakes, District of Mackenzie, N.W.T. Three new maps are also available covering southern Quebec. Maps are available at 25c.

More Diamond Drilling Carried Out in 1942

Ontario Provides More Than Half of Total, According to Survey — No Shortage of Industrial Diamonds Reported

A 6% increase in footage of diamond drilling completed was recorded in Canada in 1942 by the 28 firms which do most of this country's drilling. A total of 2,960,364 ft. of drill holes was completed compared with 2,793,420 in 1941.

Cost of this drilling to the mining industry showed a substantial reduction on a unit basis as diamond drilling firms "income from drilling" increased only $25,000 to $3.1 millions.

Ontario Gets Half

As in 1941, over half the drilling completed (1,536,954 ft. in 1942) was in Ontario with Quebec in second place with 977,295 ft. of diamond drilling. New Brunswick, which had no drilling completed in 1941, received 25,171 ft. of the 1942 drill hole footage. Manitoba experienced an upsurge in drilling activity with 91,999 ft. of drilling carried out against only 19.400 in 1941.

Equipment reported by the industry in 1942 included 273 steam or air driven drills, 290 gas, oil and gasoline driven drills and two electric drills. No use of the electric drill on a basis comparable to that in South Africa has yet been attained in Canada. In South Africa, it has been found possible to penetrate particularly hard formation with speeds up to five inches per minute.

Increased Use in Stopes

The survey carried out by the Dominion Bureau of Statistics does not include data on drilling of gas and oil wells and diamond drilling conducted by Canadian mining companies with their own personnel and equipment. It is noted, however, that Canadian mining companies have increased rapidly during recent years their use of diamond drills in stoping and other rock-breaking operations. Incomplete data shows 764,682 ft. of diamond drilling by mining operators proper last year.

The Canadian diamond drilling industry has not been handicapped by any serious shortage of industrial diamonds or "borts" as they are known to the industry. Enemy countries, in comparison, are stated to be in an extremely bad position regarding industrial diamonds.

Purchases Lower

During 1942, the Canadian industry purchased borts, ballas, carbons, readyset and castset bits, etc., to the value of $634,233 compared with $861,253 in 1941. Of the 1942 purchases, $144,366 represented stones in the form of cast or ready set bits.

Wages paid by the diamond drilling industry totalled $1.6 million in 1942 compared with $1.5 million for 1941. The Canadian diamond drilling industry can call upon the combined resources of three of the most important producers of industrial diamonds in the world—The Union of South Africa, the Congo and Brazil.

Mining INVESTMENTS

British Columbia's fourth tungsten mine, the Emerald, should soon reach production with a 300-ton mill. Consolidated Mining & Smelting Co. is building the milling plant and the workings are rapidly being readied for regular mining operations. It is expected that tungsten from the Emerald will take care of a large proportion of Canada's total tungsten requirements.

The three other present B. C. tungsten producers are: the Red Rose, Hazelton area, and the Tungsten Queen and Bralorne properties in the Bridge River area. The Red Rose property has now been producing steadily since early 1942 and production is on a much larger scale than at the outset.

The Tungsten Queen, formerly known as the Phillips Tungsten property, has turned out close to 100 tons of cobbed or hand sorted, high-grade ore and low grade. Most of the ore has been in the high-grade category.

Bralorne established a small plant for tungsten production following discovery of scheelite in its gold mine workings at Cadwallader Creek. Mining and milling of a short shoot of tungsten ore found in the 551 east drift has been carried on recently.

* * *

Increased activity in Canada's non-ferrous smelting and refining industry is reflected in the newly-issued DBS Survey of the industry for 1942. Value of ores, concentrates, etc., treated showed an increase from $213.5 millions in 1941 to $258.9 millions for 1942. Net value added to the output by smelting stepped ahead from $119.7 millions in 1941 to $125.9 millions in 1942.

Wage earners employed showed an increase of over a third, totalling 18,537 in 1942 against 14,264 in 1941. Cost of fuel and purchased electricity showed a sharp increase amounting to $35.7 millions in 1942 against the 1941 figure of $26.8 millions. Other costs than costs of ores, fuels and electricity, increased from $19.3 millions in 1941 to $27.1 millions in 1942.

Light metals showed a particularly impressive production in 1942. In this status, aluminum was at an all-time high while Dominion Magnesium commenced production during the year.

The year 1942 marked commencement of commercial recovery of indium. Average annual prices for copper, lead, and zinc, were the same in 1942 as in the previous two years.

* * *

Great Britain has received 3,075,000 ounces of silver under the lend lease provisions, it was announced by Edward R. Stettinius, Lend-Lease Administrator. The silver was taken from U. S. Treasury stocks and is to be returned after the war, ounce for ounce.

The new silver is to be used mainly in British armament industry. War demand for silver for coinage purposes has increased to a great extent, especially with the need for coin to be supplied to all American soldiers stationed overseas, Mr. Stettinius said.

Mining Concentrates

Davies Petroleums has extended for 30 days a July 1 option installment for 50,000 shares coming under a Feb. 27 option agreement with Haras Corp. Subsequent installments have been correspondingly extended.

* * * *

Majormica Mines reports discovery of a further deposit of mica on its property near Kinston. The new deposit is 50 t. wide and high in mica, it is stated. It runs parallel to and northwest of the main break. British interests have recently contracted for the full output of the Majormica company, reports say.

* * * *

East Crest Oils Co. has received payment for 25,000 shares applying on the July 1 option installment under the option and underwriting agreement with Haras Corp., dated Jan. 27, 1943. A total of 100,000 shares have now been taken up and a further 100,000 have been extended to Aug. 1. A corresponding extension will be given on all subsequent installments both under this agreement and that dated Feb. 22, 1943, subject to acceptance by the Superintendent of Brokers of British Columbia. Authorized capital is 3 million shares, issued, 2,223,587.

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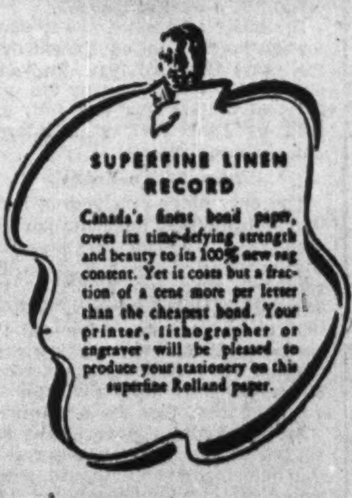

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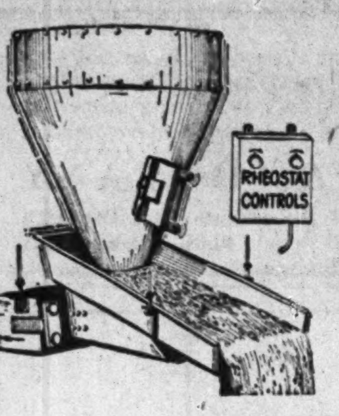

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Postwar Aviation

"Air Transport is Essential"

U. K. Committee Outlines Need to Hold Position

Warning that unless the British Government took immediate action leading to design and production of a sufficient number of commercial aircraft as soon as possible, British air lines might be compelled to operate mainly with American aircraft for some years after the war, the Independent Committee (British) on the Future of Civil Aviation, Captain A. G. Lamplugh, chairman, recently published its initial report based upon intensive discussions held since the group was formed privately last September to examine the problems and possibilities of Civil Aviation in general and Air Transport in particular.

Setting up a research establishment is advocated, one in which would be centralized the modern and progressive information available to constructors of aircraft, engines and equipment, and to aircraft operators.

The British group foresees international military control of Air Transport for some time after the war and the eventual assumption of the administrative control of international air traffic by an international body.

While it omits reference to division of the world's air routes among the nations, leaving this and other major points for continuing discussion and later statement, the initial report of the Independent Committee presents its facts, deductions and conclusions on: world communications and civil aviation; international agreement and standards; economic conditions; production and supply; technical development; air routes; airports; operational control; administrative control; aircraft; private, club, sporting flying and gliding; and training.

Air Transport Essential

"Air Transport," the summary of conclusions states, "is essential for maintenance of the position of a State as a first-class power. This is particularly so when such a power has colonial possessions, with which fast means of communication are vital.

"The need is paramount for the British Empire, with Dominions, Colonies and Dependencies of vast areas spread all over the world. No two of these are more than about 2,000 miles apart and thus constitute convenient stages for air line operation.

"State provision is necessary for maintenance of airports and for systems of navigational control on all air routes. International agreement is essential to set a high limit for such subsidy as may be necessary. Unless this is done internationally, uneconomic and cutthroat competition is certain to ensue.

"Subsidies should not normally be necessary if: (a) services are operated at economic speeds; (b) aircraft are not written off as obsolete before the end of their true commercial life; (c) proper remuneration is paid for the carriage of mails (taking into account the value of speed), passengers and freight, and (d) uncommercial subsidized competition is not encountered.

"Very long stages over oceans make strictly commercial operation more difficult. On such routes the value of the service rendered—in the form of speed and saving of time—justifies higher rates of remuneration, especially for the carriage of mails.

Develop Own Aircraft

"Unless the British Government takes immediate and effective action leading to the design and production of a sufficient number of commercial aircraft as soon as possible, British air lines may be compelled to operate mainly with American aircraft for some years after the war. The prestige inherent in using British designed and built aircraft on British air routes needs no emphasis. Conversely there is a great loss of prestige in the enforced operation of foreign aircraft.

"Civil aviation needs a research establishment in which would be centralized modern and progressive information available to constructors of aircraft, engines and equipment, and to aircraft operators.

"Only in exceptional circumstances should more than one British operating organization be given an individual subsidy on any one route or stage. The fullest co-operation of the Dominions should be sought, with a view to their acquiring rights and obligations over the routes and lines in which they are especially interested.

Control is Essential

"Each major trunk route should be operated by a separate administrative and executive organization ('chosen instrument').

"For all air traffic, and indeed for all civil and military aviation, in peacetime, strict navigational control is essential. For international traffic the control must be organized upon an international basis.

"Air transport (and preferably all civil aviation) should be removed from the control of a ministry which is concerned primarily with service matters. If this is not practicable at present because of the war and the constitution of the RAF Air Transport Command, it should be effected as soon as possible after the war. In the meanwhile, effective control should be exercised by a separate Civil Air Council, coequal with the present Military Air Council. The ultimate objective should be that air transport be developed by private enterprise along lines similar to those of the mercantile marine.

"Air transport should be subject only to sufficient governmental control to ensure efficiency and safety —in the interests of the public and international relations and facilities.

"The fullest possible scope and freedom should be afforded to constructors of aircraft, engines and equipment in matters of design, with a view to the greatest benefit being derived from the wealth of experience, knowledge and enterprise which is at the disposal of the British aircraft industry.

"Plans and schemes for the training of personnel in all branches of civil aviation should be prepared, and amenities provided. The first essential of satisfactory air transport operation is efficient, loyal and enthusiastic personnel in all branches of the organization.

Postwar Adjustments

"International military control of air transport may prevail for some time after the war, and this may involve, or be combined with, the operation of international traffic under a military regime.

"The eventual assumption of the administrative control of international air traffic by an international body may be visualized.

"The main essentials to the proper development of air transport for the benefit of civilization are: (i) a genuine spirit of co-operation and conciliation on an international basis; (ii) a loyal determination to pursue a course which is right and just rather than one which is diplomatic or expedient, and (iii) an observance of the spirit rather than the letter of international conventions and agreements.

"International conventions and agreements must be ratified by all States of goodwill to record general principles and to ensure unification of regulations concerning technical matters."

Life Company Finds Food Rationing Improves Health

Rationing of food can result not only in a fairer distribution of food supplies but also in important health benefits, according to statisticians of the Metropolitan Life Insurance Co. Last year, England's death rate was 11.6 per 1,000 persons, the lowest since the beginning of the war and the same as in 1938. Only once, in 1930, has the English death rate fallen below this level.

A 10% decline in deaths from diabetes is mentioned. Nowadays overeating is practically impossible in England and consequently overweight, as usual symptom preceding the onset of diabetes, is much less common than before.

Heart Disease Lessened

A drop in the deaths due to chronic diseases of the heart, blood vessels and kidneys has become noticeable. The majority of the victims of these diseases suffer from high blood pressure, a condition often alleviated by dietary restriction with a consequent slowing down of the progress of the disease. Accordingly, rationing appears to be prolonging the lives of many middle aged and elderly Englishmen and also to have improved their general health.

A state of health among English infants and children as good if not better than ever despite bombings, etc., has been maintained. This is attributed partly to children and pregnant and nursing mothers having first call on supplies of milk, eggs and meat.

CPR Retires Relief Loans

All But $2½ Millions of Government Loans Repaid With Interest

From Our Own Correspondent

MONTREAL.—Loans by the Dominion Government to the Canadian Pacific Railway between 1931 and 1941 totalled just under $20 millions. These advances were primarily to provide work during the depression years.

To date the company has repaid $17.5 millions, on which the interest charges amounted to $1.7 millions. A balance of $2.4 millions is still outstanding.

A record of the loans follows:

During 1936, in order to find work for unemployed men in many parts of Canada, the government advanced the company $554,700. This loan was fully repaid by installments between Jan., 1938, and Jan., 1942. Over the period the company paid to the government interest at 2%, totalling $47,567.

Between Sept., 1935, and March, 1936, the government lent to the company $1.3 millions to finance the betterment and repairing of railway equipment. The loan was fully repaid between Jan., 1938, and Jan., 1942. No interest was paid on this loan for the first two years, but later interest payments at 4% were paid to a total of $170,854.

Lease Rolling Stock

During the period 1935-38 the government purchased railway equipment to a value of $5.7 millions. This was sold to the Canadian Pacific under a hire-purchase agreement and the entire amount was repaid by Jan., 1943. This loan was interest-free for two years. After that period the company paid interest at 3%, a total of $610,978.

A similar arrangement was made for the purchase of equipment over the years 1939 and 1941. The government lent the company $10 millions at 3½%. This was fully repaid by Dec., 1942, with interest amounting to $844,990.

Two Active Loans

The only other outstanding loans that the company owes the government are two which were made for the purpose of helping keep the country's workmen employed between Nov., 1931, and Jan., 1933. In 1931 the government advanced the company $1 million, repayable on demand and without interest, when the company resumes dividends at a rate of more than 5% per annum.

In 1932-1933 the government advanced another $1 million, repayable on demand and without interest before the company pays any dividends on its common stock.

Says CUA Service Cuts Fire Losses

Inspection services of the Canadian Underwriters Association are credited in government circles with helping to keep down the fire loss record in industrial war plants. At the 60th anniversary dinner of the association at the Seigniory Club, Montebello, Que., last week, Finance Minister Ilsley quoted a letter he had received from Hon. C. D. Howe, Minister of Munitions and Supply, in which he said in part:

"The engineers and inspectors of this association and its allied boards throughout Canada have for the past two years been rendering very valuable service to this department by laying out and checking water mains, sprinkler installations, water tanks and reservoirs, pumps, etc., and inspecting plants engaged in war production—all in the interest of fire prevention . . . I feel that, to a considerable extent, the comparatively good record to date of fire losses in such plants is a reflection of their services."

Power Corp. Group Reports Expansion

Controlled and affiliated companies of Power Corp. of Canada report a power output in May of 249.2 million kw.h. This contrasts with 231.6 million kw.h. for the same month last year, an increase of 7.62%.

	May 1943	May 1942
B. C. Power	64,328,756	57,161,524
Canada Northern .	49,456,021	53,912,651
East Kootenay ...	9,876,124	10,345,258
Northern B. C. ..	1,834,046	1,645,436
Southern Canada	27,323,090	27,051,380
Winnipeg Electric	96,424,200	81,481,800
	249,242,237	231,598,049

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Shoe Retailers Attack Policy

Wartime Regulations Affect Public Morale, Says Galipeau

From Our Own Correspondent

MONTREAL.—Canada's wartime shoe policy came under attack at a meeting of the National Shoe Retailers Association meeting called for the introduction of G. Elmer Johnston, shoe controller for Canada.

Too rigid restriction on the production of absolutely essential civilian goods, Paul Galipeau, second vice-president of the Association warned, tended to create inflation by making goods more valuable than money.

He pointed out that grades of children's play shoes now last from 10 to 20 days and "they are no help to the temper and morale of the public and furthermore are uneconomic, as the same manpower should have been directed to the making of better grades."

Blame for this situation was directed by Mr. Galipeau against the National Selective Service rather than the shoe controller as labor should have been directed into places where it might accomplish most from the over-all economic point of view.

"An intelligent and realistic attitude as to the types of footwear that should be produced," he added, "might save a few million dollars that the rationing would cost if co-operation is not given the industry."

B. C. Debt Hits 10-year Low

Premier Hart Announces Another Million Dollars Paid Off June 25

From Our Own Correspondent

VANCOUVER.—British Columbia is able to report a new low in provincial debt for the decade. Premier John Hart has announced retirement of another $1 million in debt, paid off in New York June 25.

In the fiscal year ended last March 31 British Columbia reduced its gross debt by $12.2 millions and its net debt by $10 millions.

The premier says that the gross debt in the ten years he has held the finance portfolio has been reduced by $13.7 millions.

During the 10-year period $13.2 millions was borrowed for public works, $6.1 millions for the establishment of pension funds, $960,000 for general purposes and more than $25 millions for unemployment relief.

Surpluses in revenue have eliminated from the debt statement more than $4 millions on account of unfinished deficits which had been reduced by $1.7 millions, and the payment of the maturity June 25 still further reduces the volume of gross debt.

The net debt of the west coast province is now $135.6 millions. In 1938, when a new high was reached, it stood at $148.4 millions. Last December it was $140.8 millions. Highest gross debt, in 1938, was $188.1 millions.

JOINS BOARD

C. G. Heward, K.C., Montreal, who has been elected to the Canadian board of directors of the Standard Life Assurance Co., Edinburgh. Mr. Heward, a member of the Montreal law firm of Holden, Heward & Holden, is director of a number of Canadian corporations.

Bank of Canada Note Issue Up

Reaches New High Level — Sterling and Miscellaneous Assets Higher

Note circulation of the Bank of Canada showed an increase of over $7 millions in the week ended June 30. The total of $758 millions is a new high record. The increase is said to be partly seasonal and also reflects the addition to payrolls of many students just out of high school.

Deposits of the Dominion Government and miscellaneous deposits were also higher.

On the credit side, the chief increase was in holdings of sterling exchange and miscellaneous assets.

	June 30 1943	June 23 1943
	$000	
Liabilities		
Capital paid-up	5,000	5,000
Notes in circulation ..	758,406	751,215
Rest fund	6,473	6,472
Deposits: Dominion ..	90,061	72,131
Banks	301,113	302,032
Other	19,165	15,502
Total deposits	410,339	389,755
All other assets	17,470	15,685
Total liabs.	1,197,689	1,169,130
Assets		
In Sterling and U. S. ..	47,227	36,578
Subsid. voin	157	195
Investments:		
Dom. govt. sh.	816,650	808,845
Other Dom. govt. ..	312,989	309,198
Total invest.	1,129,639	1,118,044
Premises	2,100	2,104
All other assets	18,566	11,207
Total assets	1,197,689	1,168,130

Wabasso Cotton Co. holds several government contracts and is subject to minimum wage regulations for war work, according to returns tabled in the House. Contracts placed with the company by the Dept. of Munitions and Supply from July, 1939, to June 1, 1943, totalled $1.5 millions.

War Risk Rates Are Reduced

Better Experience in U. Boat Warfare Leads to Action

From Our Own Correspondent

MONTREAL.—Reflecting a much better experience in U-boat warfare, the Canadian Risks Committee, representing private companies here, has announced substantial reductions in insurance rates. From the Canadian viewpoint, the cut in those for the United Kingdom and West Indies are among the foremost, but the reductions embrace nearly all continents and seaways.

Sailings to and from United Kingdom channel ports east of Southampton and all east coast ports continue to carry a 7½% rate. This amount compares with $10 prevailing before June 14 and was the first such change in this rate in 14 months.

All other United Kingdom ports and those in the Irish Free State and Northern Ireland now carry a 6% instead of a 7½% rate. The latter was also cut on June 14, so that this is the second reduction in about a fortnight.

West Indies Area Widened

Sailings to the West Indies continue on a two-zone basis, but the area in the first zone has been widened from points not south of Trinidad to points not south of the Orinoco River. Sharp reductions (as much as 25%) have been made in this zone too. Rates in the secondary zone are unchanged.

Also of considerable importance to Canadian commerce is the cut in Newfoundland rates, with the Canadian Atlantic and St. Lawrence River ports' rates from 2% to 1¼% and those on the short sea route being down from 1% to ¾%.

Voyages to Australia via Panama now carry a 7% instead of a 9% rate, while transpacific sailings stand at 4% instead of at 5%.

Reductions of 20% have been made in rates to the Near East and India. Voyages to West Africa, South Africa, Egypt, Red Sea, Gulf of Aden, etc., carry an 8% rate instead of 10%, and India, not east of Calcutta, also Ceylon, is now 10% instead of 12%.

Merger Approved By Acme Farmers

Preferred and common shareholders of Acme Farmers Dairy Ltd. have approved the plan of reorganization which provides for its consolidation with Eastern Dairies Ltd., into a new company to be called Dominion Dairies Ltd. Also to be included in the reorganization are Producers Dairy of Ottawa, and Elmhurst Dairies, Montreal, which are also subsidiaries of Eastern Dairies.

The plan aims at a simplification of capital structure, the elimination of dividend arrears on Eastern Dairies and Acme Farmers preferred stock, and conversion of Eastern Dairies and Acme Farmers bonds.

Holders of Acme Farmers preferred stock will receive for each share: $25 cash, $75 in new 6½% 15-year general mortgage bonds, and 1½ shares of common stock in Dominion Dairies. All the Acme Farmers common is held by Eastern Dairies.

Signal
A warship "talks" to a minesweeper across the rolling Atlantic.
Sketched from life by "Topside" Player's staff artist, while at sea through the courtesy of the Royal Canadian Navy.
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"IT'S THE TOBACCO THAT COUNTS"
PLAYER'S NAVY CUT CIGARETTES